DOCUMENT RESUME

ED 188 614 IR 008 481

TITLE Prospects, Possibilities, and Alternatives for Federal Support of Libraries and Information Services: Design for the 1980's. A Background Paper Prepared as a Discussion Base for the Continuing Consideration of This Topic in Preparation for and during the White House Conference on Library and Information Services.

INSTITUTION National Commission on Libraries and Information Science, Washington, D. C.

PUB DATE Oct 78

NOTE 95p.

EDRS PRICE MF01/PC04 Plus Postage.

DESCRIPTORS *Federal Aid: *Federal Legislation: Federal Programs: Financial Policy: *Financial Support: Government Role: *Information Services: *Libraries: Library Services

IDENTIFIERS *White House Conference Library Info Services

ABSTRACT

Confined to an examination of the law, policy, and mechanisms through which federal funds are channeled directly to those institutions which provide access to information, this paper discusses a process designed to formulate the legislative and policy base for an optimal federal strategy for the fiscal support of libraries and information services. This process focuses on developing considered and reasoned answers to basic questions concerning the nature and pattern of federal fiscal support over the near range of five to ten years, and development by NCLIS and the library community of plans and strategies to influence emerging or needed change in the nature and pattern of federal funding. It presents an overview and objective for funding programs: characteristics of the present intergovernmental fiscal climate with implications for federal funding of libraries: existing federal programs in support of libraries and appraisals of their general effectiveness: and alternate models for federal support of libraries and information services. Appendices include several summaries: (1) a study on the proper roles of federal, state, and local governments: (2) recommendations for a 5-point intergovernmental strategy for reforming the system of federal assistance: and (3) description of federal support programs for libraries and information services. (Author/RAA)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED188614

I R Rog

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

Prospects, Possibilities and Alternatives for Federal Support of Libraries and Information Services: Design for the 1980's

A background paper prepared as a discussion base for the continuing consideration of this topic in preparation for and during the White House Conference on Library and Information Services

National Commission on Libraries and Information Science

October 1978

I 1.2:Q0 84/81

PREFACE

This nation has vast resources in its national, public, academic, school and special libraries. It has burgeoning public and private information services supporting a widening scope of essential human activities--in government, the professions, commerce, education, and cultural development. Both public and private investment in information services and information technology is increasing exponentially. Vast amounts of Federal, state and local governmental and private funds are being spent in supporting wide-ranging library and information service enterprises. There is today, however, no fiscal policy or program which represent a rational, strategic Federal support position for the development and effective utilization of library and information services over the next ten years. That is the heart of the problem which the National Commission on Libraries and Information Science (NCLIS) faces in developing a national program.

This paper represents a key element of a process designed to formulate the legislative and policy base underpinning an optimal Federal strategy for the fiscal support of libraries and information services. Adoption of a process for continuing consideration of the issue of Federal funding support, rather than proposing a single, definitive model, is tacit recognition of (1) the special characteristics and developmental status of the library and information agencies and services, and (2) the degree of turbulence impacting on the intergovernmental fiscal affairs scene. The library and information service community is disparate, autonomous in its constituent parts, and has widely varying views as to how its generic services should be financed. Part of it is aware of the changing needs of

FEB 2 6 1980

an information demanding society and the nationwide network essential to serve adequately such needs. Part of it is as yet unresponsive, passive and even skeptical of the need for governmental intervention at any level.' The turbulence that characterizes the current intergovernmental fiscal scene has persisted over the past several years and will undoubtedly continue until significant rearrangements are completed. In this kind of setting it would be hazardous, if not foolhardy, to propose a single prescription for the resolution of the Federal funding issue.

The process began in the spring of 1978 and will continue through the White House Conference on Library and Information Services to be held in October, 1979. Essentially, the process is an effort to coalesce and bring to bear on this issue the several constituencies representing both the library and information service community and, most importantly, generalist observers and policy-makers with knowledge and responsibilities covering intergovernmental fiscal affairs. The process focusses on developing considered and reasoned answers to the following basic questions:

> Realistically, what is the optimal nature and pattern for the Federal fiscal support of libraries and information services over the near-range (5-10 years) future?
>
> What actions, plans, or strategies should NCLIS and the library community undertake now to influence possible emerging or needed change in the nature and pattern of Federal funding?

The process encompasses the following basic activities:

1. Preparation of a working draft of a paper outlining prospects, possibilities and alternatives (completed May, 1978).

2. Submission of the paper for review and consideration of a special conference of representatives of the library and information service community. (Conference held June 8 and 9, 1978 in Arlington, Virginia.)

3. Revision and submission of the paper for review and consideration of a special conference of generalist observers and policy-makers outside of the library and information service community. (Conference held September 14, 1978 in Washington, D. C.)

4. Revision, publication and submission of the paper at large to library and information agencies, officials and citizens for review and consideration in preparation for the 1979 White House Conference on Library and Information Services.

5. Submission of the paper for review and consideration by White House Conference delegates. This consideration, it is to be hoped, will lead to recognition of a consensus supporting, in broad form, one of the alternative models outlined herein, or a new alternative developed as an outgrowth of White House Conference discussions.

6. Preparation of draft legislation and policy guidelines for consideration by the Congress and the President.

7. Preparation by Federal, state and local library agencies and officials for the support and early implementation of the legislation.

The two workshop conferences held in June and September, 1978 (Items 2 and 3, above) are worthy of note. A total of 47 persons representing a variety of agencies and policy-making positions within and external to the library field participated. A listing of the participants is included at the end of this preface. Distinctions between the two sets of Conference participants are immediately apparent. The June Conference participants represented various components of the library and information science community. The September Conference group consisted primarily of important Federal observers and public officials outside the library and information field. The agendas for the two conferences were identified and focussed on the two discussion questions stated earlier (see page ii). Participants were sent advance copies of the working draft of this paper as background for the Conference. Highlights of the paper were presented as an opening agenda item. Smaller group breakdown sessions were organized for more detailed review and discussion of the alternative models outlined in the paper. Forms to assist in considering and rating alternatives were developed for Conference use.

It was stressed that the paper was presented as a background piece, that none of the alternatives represented the National Commission's view because the Commission has not yet taken a position, and that the participants themselves need not feel committed to any particular viewpoint represented in the paper, or that might emerge from the Conference. Participants were asked only to give their best counsel and judgment on the probable best and most realistic course to follow in seeking development of a rational and strategic Federal role, policy and support system appropriate to a national program of library and information services.

Revisions of the paper based on Conference discussions were made to improve the clarity of concept and presentation, and to update events. No other revisions were made to the alternative models, or possible arguments for their support or rejection, described in Section IV, in order to reflect the views of any of the participants or groups of participants. There were, however, several important general conclusions that can be drawn from Conference deliberations.

1. There were differences of views among participants as to the specific kind of Federal support program that might (or should) emerge. There was, however, no question raised as to the legitimacy or appropriateness of some kind of Federal funding role. There was also a broad consensus that the developmental status of libraries and information services requires and makes appropriate an early revision of Federal laws and policies governing funding.

2. There was a clear emphasis established primarily by information science leaders and technologists that any Federal legal and policy base developed for providing fiscal support should be sufficiently broad to take into account the primary information generating and processing activities of the Federal government and the services provided by the national libraries.

3. The four models presented in the paper seemed to cover a range of choices adequate to reflect all, or most of all, of the views of Conference participants.

4. Of the four models presented, there was a more pronounced degree of interest in and a wider degree of acceptance of a modified block grant approach as a general design for the

future Federal funding of libraries and information services. It was recognized, however, that the model was described in highly generalized terms and that further delineation of this approach must precede any attempt to draft a more detailed legislative and policy base.

5. There was some indication by generalist particpants (i.e., those whose expertise lies outside the library and information service fields) that bold, new legislative and policy approaches should be seriously considered, if indeed a reading of the developmental status of the field warranted such approaches.

The purpose of this paper, then, is to provide a context for the continuing discussion of the central questions stated earlier. The alternative models presented in Section IV are not described in detail or in definitive terms. None of them are proposed as the recommended views of NCLIS, because, as indicated earlier, the Commission as yet has neither considered the alternatives nor taken a position in favor of any particular model, and does not intend to do so until after the White House Conference. Rather, they are intended to guide and stimulate further consideration and discussion by library and information service associations, generalist observers and policy-makers, participants in state preparatory conferences and delegates to the White House Conference. The objective of this process is to facilitate development of an optimal model--one with the widest possible base of support--for later consideration by the Congress and the President.

The paper was prepared by Rodney P. Lane, Government Studies and Systems, Philadelphia, Pennsylvania. NCLIS staff prepared the Foreword and assisted in revisions resulting from the June and September Conferences.

Alphonse F. Trezza
Executive Director
National Commission on Libraries
and Information Science

October 1978

CONFERENCE ON FEDERAL SUPPORT OF LIBRARY
AND INFORMATION SERVICES

Sheraton Park Hotel
Washington, D.C.

September 14, 1978

ACTUAL PARTICIPANTS

*William Blakey
Office of Assistant Secretary for
Legislation
Department of Health, Education,
and Welfare
Washington, D.C. 20201

Craig P. Caywood
Staff Associate
National League of Cities
Washington, D.C. 20036

Eileen Cooke
Executive Director
American Library Association
Washington Office
Washington, D.C. 20002

*John N. Cornman
President
National Rural Center
Washington, D.C. 20036

John Dineen
Information Systems Policy Director
Office of Management and Budget
Washington, D.C. 20503

Stuart C. Dobson
Vice President
Publications and Communications
The Conference Board
New York, New York 10022

Joseph D. Duffey
Chairman
National Endowment for the
Humanities
Washington, D.C. 20506

Robert Faherty
Managing Editor
Congressional Budget Office
Washington, D.C. 20515

Gregory Fusco
Minority Staff Director
Committee on Human Resources
The Honorable
Jacob K. Javits
United States Senate

**Peter Gossens
Office of Assistant Secretary for
Legislation
Department of Health, Education,
and Welfare
Washington, D.C. 20201

Warren J. Haas
President
Council on Library Resources
Washington, D.C. 20036

Marilyn Hall
Committee on Education and Labor
The Honorable
Carl D. Perkins, Chairman
U.S. House of Representatives

* A.M. Only
**P.M. Only

Robert Hayes
Dean
Graduate School of Library and Information Science
University of California
Los Angeles, California 90024

Dick Hays
Assistant Commissioner of Education
Office of Libraries and Learning Resources
U.S. Office of Education
Washington, D.C. 20202

Warren G. Hill
Executive Director
Education Commission of the States
Denver, Colorado 80295

Donald W. King
President
King Research, Inc.
Rockville, Maryland 20852

John Lorenz
Executive Director
Association of Research Libraries
Washington, D.C. 20036

John F. Martin
Legislative Associate
Committee on Education and Labor
The Honorable
Albert H. Quie, Chairman
U.S. House of Representatives

Ruth Matthews
Policy Group on Information and Computers
The Honorable
Charles Rose, Chairman
U.S. House of Representatives

Robert B. Nicholson
Senior Research Associate
U.S. Conference of Mayors
Washington, D.C. 20006

Howard L. Resnikoff
Division Director
Information Science and Technology
National Science Foundation
Washington, D.C. 20550

Russell Shank
University Librarian
University of California
Los Angeles, California 90024

Carol M. Wright
Research Associate
Advisory Commission on Intergovernmental Relations
Washington, D.C. 20575

National Commission on Libraries and
information Science Commissioners

Frederick Burkhardt, Chairman
Bennington, Vermont 05201

Charles Benton
Chairman of the Board
Films, Inc.
NCLIS Member-Designate
Wilmette, Illinois 60091

Marian Leith
Assistant Director and Federal
Programs Director
Division of State Library
Raleigh, North Carolina 27611

William J. Welsh
Deputy Librarian of Congress
The Library of Congress
Washington, D.C. 20540
(Representing Dr. Daniel J. Boorstin,
Librarian of Congress)

Rodney P. Lane
Principal Investigator
Government Studies and
Systems, Inc.
Philadelphia, Pennsylvania

NCLIS Staff

Alphonse F. Trezza
Executive Director

William D. Mathews
Staff Associate for
Information Technology

Douglas S. Price
Deputy Director

Mary Alice Hedge Reszetar
Associate Director

Ruth Liepmann Tighe
Program Coordinator
White House Conference on Library
and Information Services

CONERENCE ON FEDERAL FUNDING

June 8 and 9, 1978
Sheraton National Hotel
Arlington, Virginia

Mr. Robert Aselson
President
R. R. Bowker Company
1180 Avenue of the Americas
New York, New York 10036

Miss Eileen Cooke
Executive Director
ALA Washington Office
110 Maryland Avenue, N.E.
Washington, D.C. 20002

Miss Jewel Drickamer
Director
Rhode Island Department of
State Library Service
Providence, Rhode Island 02908

Mr. W. Lyle Eberhart
Administrator
Wisconsin Department of
Public Instruction
126 Langdon Street
Madison, Wisconsin 53702

Ms. Johnnie Givens
Executive Director
Southeastern Library Association
P.O. Box 987
Tucker, Georgia 33084

Mr. Warren J. Haas
President
Council on Library Resources
One Dupont Circle, N.W.
Washington, D.C. 20036

Mr. Robert Hayes, Dean
Library School
University of California
Los Angeles, California 90024

Mr. Dick Hays
Associate Commissioner/Director
Office of Libraries and Learning Resources
U.S. Office of Education
400 Maryland Avenue, S.W.
Washington, D.C. 20202

Mr. Donald King
President
King Research, Inc.
6000 Executive Boulevard
Rockville, Maryland 20852

Mr. John Lorenz
Executive Director
Association of Research Libraries
1527 New Hampshire Avenue, N.W.
Washington, D.C. 20036

Ms. Helen M. Miller
State Librarian
Idaho State Library
325 W. State Street
Boise, Idaho 83702

Mr. Ronald Miller
Executive Director
CLASS
1415 Koll Circle
Suite 101
San Jose, California 95112

Dr. R. Kathleen Molz
School of Library Services
Columbia University
Butler Hall #643
New York, New York 10027

Mr. Ralph Newman
President
Chicago Public Library
175 East Delaware Place
Chicago, Illinois 60611

Mr. Robert H. Rohlf
Director
Hennepin County Library
Edina, Minnesota 55435

Mr. Russell Shank
University Librarian
Library Administration Office
University Research Library
University of California
Los Angeles, California 90024

Mr. Robert S. Taylor, Dean
School of Information Studies
Syracuse University
Syracuse, New York 13210

Mr. William J. Welsh
Deputy Librarian of Congress
The Library of Congress
Washington, D.C. 20540

Mr. Barratt Wilkins
State Librarian
State Library of Florida
R. A. Gray Building
Tallahassee, Florida 32304

NCLIS Commissioner

Mrs. Marian P. Leith
Assistant Director and Federal
Programs Director
Division of State Library
109 E. Jones Street
Raleigh, North Carolina 27611

NCLIS Staff

Mr. Alphonse F. Trezza
Executive Director

Mr. Douglas S. Price
Deputy Director

Mr. William D. Mathews
Staff Associate for Information
Technology

Ms. Ruth L. Tighe
Program Coordinator
White House Conference on Library
and Information Services

Principle Investigator

Mr. Rodney Lane
Government Studies and Systems
3401 Market Street
Philadelphia, Pennsylvania 19104

Observer

Mr. Karl Nyren, Editor
LJ/SLJ Hotline
R. R. Bowker Company
1180 Avenue of the Americas
New York, New York 10036

Table of Contents

	Page
Preface	i
Foreword	xiv
I. Overview and Objective	
Local Library Resources and Funding Programs	1
The National Commission and the National Library Program	4
Factors at Play in the Current Scene	5
II. Characteristics of the Present Intergovernmental Fiscal Climate: Implications for Federal Funding of Libraries	
Library Funding in Relation to the Total Intergovernmental Grant System	8
The General Basis for Concern	10
Categorical Grants: The Target of Most Criticism	14
Broader Issues Impacting on Federal Grant System Reform	17
III. Existing Federal Programs in Support of Libraries and Appraisals of their General Effectiveness	
Existing Programs: Bases, Objectives and Mechanisms	23
Appraisal of Federal Library Support Programs	25
1. Library Services and Construction Act - Title I	26
2. Library Services and Construction Act - Title III	28
3. Elementary and Secondary Education Act - Title IV-B	29

Page

4. Higher Education Act (HEA) - Title II-A - College Library Resources 31

5. Higher Education Act (HEA) II-B - Career Training 32

6. Higher Education Act (HEA) II-B - Library Demonstrations. 32

7. Higher Education Act (HEA) II-C - Strengthening Research Libraries. 33

8. Higher Education Act (HEA) Title VI - College Instructional Equipment 33

Are Present Legislative Goals and Objectives Adequate?. . . . 34

What Connections Exist Between Present Federal Support Programs and New Needs. 38

IV. Alternative Models for Federal Support of Libraries and Information Services

The Federal Role Question Revisited 41

Alternative Models of Federal Support 45

1. Status Quo. 45

2. A Revised Federal Role as Proposed by Senate Bill 3944 47

3. Modification of the Existing Funding Mechanisms. 50

4. A New Legislative Initiative Focussing on Development of a National Network of Libraries and Information Services Utilizing a Block Grant Approach. 54

Tables

		Page
1.	Number, Personnel, and Operating Expenditures for American Libraries, 1975, by Type of Library	1
2.	Estimate of 1978 Federal Support of Libraries and Amounts Requested for FY 1979, by Type of Service	2
3.	Federal Grants-in-Aid as a Percentage of State-Local Receipts From Own Sources, 1960-1979 (Dollar amounts in billions).	11
4.	Classification of Selected Government Services by the Geographical Scope of their Benefits.	20
5.	Summary of Federal Library Support Expenditures 1975-1979	24

Charts

I.	Federal Grants-in-Aid as a Percentage of State-Local Receipts From Own Sources, 1960-1977.	12
II.	Office of Libraries and Learning Resources (OLLR).	23

Appendices

A.	Outline of ACIR Study (in process) on Proper Roles of Federal, State and Local Governments	61
B.	Summary Recommendations for a Five Point Intergovernmental Strategy for Reforming the System of Federal Assistance	65
C.	Summary Description of Federal Support Programs for Libraries and Information Services.	68

Foreword

Since 1970 it has been an established national goal that this country shall develop and maintain library and information services adequate to meet the needs of all citizens. That goal is stated explicitly in the Act of Congress establishing the National Commission on Libraries and Information Science (P.L. 91-345, July 20, 1970).

Statement of Policy

> Sec. 2. The Congress hereby affirms that library and information services adequate to meet the needs of the people of the United States are essential to achieve national goals and to utilize most effectively the Nation's educational resources and that the Federal Government will cooperate with State and local governments and public and private agencies in assuring optimum provision of such services.

Under the Act, the Commission (NCLIS) has ". . .the primary responsibility for developing or recommending overall plans for, and advising the appropriate governments and agencies on the policy set forth in Section 2" (above). The charge further stipulates that NCLIS shall advise the President and the Congress on the implementation of this national policy.

Part of the thinking behind the establishment of NCLIS was the growing perception that information is an important national resource. When we consider the total effort involved in creating, storing, and communicating information in its great variety of forms, it becomes obvious that information activities are a vast and encompassing concern

of our society. A recent attempt to quantify this involvement places the total investment in information-related activities in the United States at nearly 50% of the gross national product. While this measure is based on a very broad interpretation of what constitutes an information-related activity, it helps to drive home the point that we are truly living in a post-industrial, information based economy.

If we look closely at this information activity it becomes apparent that several distinct functions interact in a delicate balance to facilitate effective use of this resource. At the beginning of the process there exist the generators of information: authors, writers, and editors who assemble information into new works. The next link in the chain is composed of producers: publishers who package information. Information distributors and broadcasters disseminate finished information products on a massive scale, forming another link. A fourth link consists of the institutions who collect, organize, and provide access to the enormous body of recorded knowledge. This is where libraries and information centers are usually involved. Finally, of course, there are the users of information: individual citizens, educators, students, researchers, who use information for a multiplicity of purposes. Strictly speaking, the information chain from generators to users, is circular. Inevitably, some of the users are also generators of new works. Strong links are imperative at every point in the chain to insure a healthy information environment. Moreover, this chain binds together a broad variety of entities; individual and corporate, private and public, for-profit and not-for-profit, Federal, state, and local.

The Federal Government's involvement in information transfer pervades all links in the chain. As a generator of information, our attention is immediately drawn to the extensive paperwork created by Federal agencies and laboratories, carrying out the everyday business of government or involved in basic and applied research. But the Federal influence is also felt through $25 billion worth of federally funded research and development carried on in universities, hospitals, industry, and other nonfederal institutions across the country. Nearly a quarter of a million articles and technical reports are authored annually with at least some degree of Federal support.

As a publisher and distributor of information one might think at once of the prodigious Federal output of the Government Printing Office, or the activities of NTIS. Again, this is only the tip of the iceberg. The Federal Government supports an almost bewildering array of clearing houses and specialized information centers.

When it comes to the Federal role in providing access to information, one tends naturally to think of the very visible role of the Federal Government in operating some of the nation's largest libraries: The Library of Congress, the National Library of Medicine, and the National Argicultural Library. Indeed the impact of these libraries is a very important consideration since they contribute much towards establishing leadership and setting the tone for information programs on a national

basis. Together with over 1,000 other Federal agency libraries across the country, the Federal Government's direct operating expenditures in this area exceed a quarter of a billion dollars per year.

At the same time, the Federal Government disburses another quarter of a billion dollars per year through grant programs and other fiscal mechanisms to assist libraries of every type all across the country. School, public, academic, and research libraries benefit from these funds and are able to improve their services.

In passing, we might note that the Federal Government is also deeply engaged in regulatory and policymaking activities relating to information. The Federal Communications Commission, State Department, Department of Defense, Commerce, NTIS, and the Postal Service are just a few of the myraid of overlapping and sometimes conflicting agencies busily formulating pieces of information policy.

Moreover, while the Federal role as generator and producer of information surely amounts to an investment of many billions of dollars per year, a considerably smaller amount--a fraction of one billion--is spent on providing access to information. And a still smaller amount, only a few million dollars from a handful of agencies such as NSF and NEH, is dedicated to research and development toward improving the efficiency of our present access methods.

This paper looks at only one particular aspect of the Federal role. Except as background, we are not concerned here with the enormous Federal investment in information gathering, generation, publication and dissemination. Nor will we be concerned with the details of libraries or similar institutions operated directly by the Federal Government. Nor, finally, will we consider the Federal role in establishing information policy and its implications for the fiscal scene. Rather, this paper is confined to examining the law, policy and mechanisms through which Federal funds are channeled directly to those institutions whose main purpose is to serve the people of this country by providing <u>access</u> to information. These institutions are chiefly the nation's libraries.

PROSPECTS, POSSIBILITIES AND ALTERNATIVES FOR FEDERAL SUPPORT OF LIBRARIES AND INFORMATION SERVICES: DESIGN FOR THE 1980's

I. Overview and Objective

Local Library Resources and Funding Programs

According to a 1975 inventory prepared for the National Commission on Libraries and Information Science (NCLIS), the Nation is served by nearly 86,000 public, school, and academic libraries staffed by some 121,500 professional librarians. The inventory excluded the very sizeable number of special and governmental libraries. As shown in Table 1, the great proportion (87 percent) of libraries included in the inventory are elementary and secondary school libraries. Actual operating expenditures amounted to $2.5 billion compared to an indicator-based estimate of quantitative need, developed as a part of the inventory, of $8.6 billion.

Table 1

Number, Personnel and Operating Expenditures for American Libraries, 1975, by type of Library

Type of Library	Number	Professional Personnel	Operating Expenditures (Millions)
Public	8,307	36,000	$ 1,018
School (74,625)			
Elementary	52,310	35,043	194
Secondary	22,315	27,613	169
Academic (3,026)			
Universities	160	8,077	428
Four Year	1,745	10,934	483
Two Year	1,121	3,869	160
	85,958	121,536	$ 2,452

Source: National Inventory of Library Needs - 1975 National Commission on Libraries and Information Science Tables 4.2, 4.27, 5.21, 6.1 and 6.40.

At present, the Federal Government contributes to the support of these 86,000 libraries through three separate acts: the Library Services and Construction Act (LSCA) for public libraries; the Elementary and Secondary Education Act (ESEA) for school libraries; and the Higher Education Act (HEA) for academic libraries. The FY 1978 estimate of Federal grants, subsidies and contributions provided through these acts is $253.3 million. The budget request for FY 1979 was $232.8 million, reflecting the proposed elimination of four of the eight existing funding programs. However, the bill as finally passed and signed by the President on October 18, 1978 provided funding at the $266.4 million covering seven of the eight existing

Table 2

Estimate of 1978 Federal Support
of Libraries and Amounts Requested for FY 1979,
by Type of Service

	1978 Estimate	1979 Budget Estimate	Amounts Approved By President (10/18/78)
Public libraries:			
(a) Services (LSCA Title I)	$ 56,900,000	$ 56,900,000	$ 62,500,000
(b) Interlibrary cooperative services Subtotal (LSCA Title III)	3,337,000	3,337,000	5,000,000
	60,237,000	60,237,000	67,500,000
School libraries and instructional resources (ESEA Title IV-B)	167,600,000	167,600,000	180,000,000
College library resources (HEA II-A)	9,975,000	---	9,975,000
Training and demonstrations			
(a) Library career training (HEA II-B)	2,000,000	---	2,000,000
(b) Library demonstrations (HEA II-B)	1,000,000	---	1,000,000
Subtotal	3,000,000		3,000,000
Strengthening research libraries (HEA II-C)	5,000,000	5,000,000	6,000,000
College instructional equipment (HEA VI)	7,500,000		0
Total budget authority	$253,312,000	$232,837,000	$266,475,000

Source: Office of Libraries and Learning Resources, HEW FY 1979 Budget Justification. Amount approved by the President, from ALA Washington Newsletter, October 18, 1978.

programs. (Table 2 shows the amounts for each of the funding programs.) Two other funding programs covering library construction, (LSCA Title II), and services for older readers (LSCA, Title IV) were authorized in both 1978 and 1979, but were unfunded.

Some Federal funds also reach local libraries through the general revenue sharing program (GRS). However, a recent study* found that in 1973-74, on a national basis, less than 2 percent ($76 million) of GRS funds were allocated to public libraries, and that no more than one-third to one-half of this $76 million resulted in increased library expenditure. The remainder of GRS funds was used merely to substitute for local funds. At the time of this analysis, libraries were identified in the GRS Act as a "priority" expenditure object. This is no longer the case and the substitutional effect noted above may be even greater in current GRS expenditures.

This quick overview of library resources and federal support programs should not be interpreted to suggest that either the resources or the funding streams represent nicely integrated components of a total program. They do not. Public, school and academic libraries operate, more often than not, quite independently from each other. The various federal acts that provide fiscal support were created at different times and for different reasons. Moreover, the above summary of library resources and funding mechanisms is by no means complete. There are many more governmental and special libraries with sizeable operating expenditures which are not included in this library resource inventory.

---

* Evaluation of the Effectiveness of Federal Funding of Public Libraries, Government Studies and Systems for NCLIS, 1976, p. 101.

Nonetheless, the resources, programs, and legislative enactments enumerated above represent the major elements of the present Federal role and responsibility for the development and maintenance of several different kinds of libraries. It is the analysis of prospects, possibilities and alternatives for the future Federal funding of these programs as well as any new or expanded programs requiring Federal support, that represents the subject of this paper.

The National Commission and the National Library Program

The role of the NCLIS with respect to development and support of library resources is quite specific. In the Act creating the NCLIS, Congress charged it, in cooperation with State and local governments and public and private agencies to:*

> --develop overall plans for meeting national library and informational needs and for the coordination of activities at the Federal, State, and local levels, taking into consideration all of the library and informational resources of the Nationa to meet those needs.

In mid-1975, the Commission's "overall plans" took shape in the form of a proposed, broadly outlined national program for libraries and information services designed to ". . .coordinate and reinforce all Federal efforts to support local and specialized services and, at the same time, provide a national framework for planned, systematic growth of library and information services in the public and private sector." The objectives of the national program are as follows:**

1. Ensure that basic minimums of library and information services adequate to meet the needs of all local communities are satisfied.

---

* Public Law 91-345, 91st Congress, July 20, 1970, Sec. 5.
** Toward a National Program for Library and Information Services: Goals for Action, NCLIS, 1975, pp. 39-48.

2. Provide adequate special services to special constituencies, including the unserved.

3. Strengthen existing statewide resources and systems.

4. Ensure basic and continuing education of personnel essential to the implementation of a National Program.

5. Coordinate existing Federal programs of library and information service.

6. Encourage the private sector (comprising organizations which are not directly tax-supported) to become an active partner in the development of the National Program.

7. Establish a locus of Federal responsibility charged with implementing the national network and coordinating the National Program under the policy guidance of the National Commission.

8. Plan, develop and implement a nationwide network of library and information service.

The national program is still in emergent form. In the context of its continuing development, a central question posed for analysis and discussion in this paper is the following: What factors will likely affect the nature and pattern of Federal funding of libraries and information services over the next 5-10 year period? The corollary question to be considered is: What kind of Federal fiscal support will the emerging national program require?

Factors at Play in the Current Scene

There are a number of factors and conditions currently dominating the intergovernmental fiscal scene which, directly or indirectly, can affect future Federal funding patterns. The vastly increased concern at the federal level over the whole question of Federal-state-local roles and fiscal and functional relationships is evident. There is a whole rash

of initiatives of various kinds which reflect this concern. Perhaps the most striking of these is one launched late in the period during which this paper was prepared. On June 6, 1978, California voters approved Proposition 13 providing for constitutional restrictions on the amount of local governmental revenues from property tax levies. The downstream impact of this action on the pattern of intergovernmental fiscal relationships will not be known for some time. At this point there can be little doubt that the California action will have implications, in one form or other, for other states, and there can be little doubt that the impact on federal-state-local funding roles will be significant.

Present and recent past initiatives at the Federal level, individually and collectively, reflect a growing concern over intergovernmental fiscal and functional roles. These include but are not limited to the following:

--the proposed joint Congressional resolution introduced by Representative Spellman of Maryland (H.S. Res. 104, January, 1977) calling for a major study of the program roles of federal, state, and local levels of government in performing domestic function of government;

--pending legislation in the Senate, dubbed the "Sunset" Act (S.2) calling for a Citizens' Commission on the Organization and Operation of Government to make a major study". . .to determine the appropriate responsibilities of each level of government, the manner and alternative means for each level of government to finance responsibilities, (and) the forms and extent of intergovernmental aid and assistance. . .";

--the requirement in the 1976 reenactment of general revenue sharing for the Advisory Commission on Intergovernmental Relations (ACIR) to ". . .study and evaluate the American Federal fiscal system in terms of the allocation and coordination of public resources among Federal, State and local governments. . .";

- the completion by ACIR of a 14 volume study entitled The Intergovernmental Grant System: An Assessment and Proposed Policies. The final volume of the series, "Summary and Concluding Observations," contains recommendations on the role and design of categorical grants, such as those supporting libraries; (this report identifies public library aid as one of 15 grant programs which are possible candidates for consolidation.*);

--President Carter's initiatives on Federal government reorganization and the introduction of zero-based budgeting procedures, now well underway, yielding possible recommendations for terminating, consolidating and/or expanding Federal programs which provide aid to state and local government;

In assessing prospects, possibilities, and alternatives for the future Federal support of libraries, this paper will include examination of the present climate of intergovernmental fiscal and functional relationships as it might affect the funding of libraries, it will appraise the composition, strengths and weaknesses of the present Federal library funding programs in relation to requirements of the emerging national program, and present possible alternative models through which varying Federal fiscal roles could be implemented. The Federal library funding programs to be examined are the following:

--LSCA Title I - public library services

--LSCA Title III - interlibrary cooperation

--ESEA Title IV B -school libraries and instructional resources

--HEA II-A - college library resources

--HEA II-B - training

--HEA II-B - research and demonstration

--HEA II-C - research libraries

--HEA VI-A - college instructional equipment

---

* The Intergovernmental Grant System; An Assessment and Proposed Policies, Vol. 14 (A-62) ACIR, June 1978, p. 17.

II. Characteristics of the Present Intergovernmental Fiscal Climate: Implications for Federal Support of Libraries

Library Funding in Relation to the Total Intergovernmental Grant System

There are three basic kinds of support mechanisms in the Federal grant-in-aid system: categorical grants, block grants and general revenue sharing. Library support is provided primarily through categorical grants. The Federal role and funding of libraries, as a direct object of grants, began with the Library Services Act of 1956. That role was broadened and reinstated as the Library Services and Construction Act (LSCA) in 1964 and 1966. LSCA was reenacted and extended for five years in 1970 and again in 1977 in unchanged form, except for the addition of a very limited, and as yet unfunded program to provide special fiscal support for urban libraries. As previously indicated, budget estimates for FY 1979 submitted by the current Administration sought to extend LSCA support without any increase in the level of funding. Four of the remaining six library funding programs, totalling $20.5 million, were marked for termination. This proposed austerity and contraction in the Federal funding of libraries is, in part, to a variety of factors related to limitations in the design and scope of these programs, but it is also due to broader changes in the intergovernmental fiscal scene.

The $253.3 million FY 1978 total of all Federal library grants represents about 10 percent of the $2.4 billion total library operating expenditures (See Table 1), and less than 4 percent of the $72.4 billion total FY 1977 Federal grants-in-aid to state and local governments.

In terms of the number and scope of the analyses, findings and recommendations focussed on changing the general pattern of intergovernmental fiscal relationships, and mechanisms creating these relationships, today's scene is indeed turbulent. The Advisory Commission on Intergovernmental Relation's (ACIR), previously mentioned 14 volume study of the intergovernmental grant system contains some 60 recommendations for change. The broad scope and content of the additional analyses mandated on ACIR by the 1976 reenactment of general revenue sharing is described as follows:*

> A one- (or possibly two) volume report, tentatively titled "The Federal Role in the Federal System: The Dynamics of Change," is contemplated. The working outline appears as Attachment A. This report is intended to identify the dynamic forces operating in the American Federal system, with special attention to the period since 1960, to illuminate the recent past as a probe of the future. In connection with this latter task, staff also are planning a "Conference on the Future of American Federalism," to be held in late 1979 or 1980, and utilizing the present study as resource material.
>
> This research task is a substantial one. The Commission has completed many reports, and offered a series of significant recommendations which have direct relevance to the Congressional mandate; and it is our intention that this earlier work be reviewed and highlighted. Yet, there are other areas, specifically the historical and political process by which the present role of the Federal government in the Federal system was established, which have received insufficient attention in our work to date (or in that of others).

The outline mentioned in the above excerpt is attached as Appendix A to this paper. Note that the funding of libraries is scheduled as a case study to be included in the outlined study.

---

* Memorandum to all Commission Members: Progress Report on "The Federal Role in the Federal System: The Dynamics of Change." ACIR Docket Book, Sept. 14-15, 1978 Meeting, Tab E.

While the ACIR research may represent the most sustained and concerted analyses of intergovernmental grants, other governmental and private agencies, and a host of scholars and private researchers are examining the myriad aspects of the intergovernmental fiscal system, or non-system, as it has been called by some observers. The point here is that these broad studies can be expected to question seriously not only the form of the library grant program and its effectiveness, but also the nature and validity of the Federal role in library financing. The Senate bill (S.3944) offered in 1975 as a new "Library Partnership Act" represented one example of a markedly changed Federal role. The proposed act would have replaced the formula and plan based LSCA with a completely discretionary grant system administered by the Secretary of HEW.

The General Basis for Concern

Why this current intense interest in the intergovernmental grant system? What are the basic causes of the national concern? What are the possible effects of current concerns on the future Federal funding of libraries and information services?

Perhaps the clearest single answer to all these questions is the ten-fold increase in the volume of Federal grants over the past 17 years. The total of Federal grants in 1960 was $7.0 billion compared to an estimated total of $72.4 billion in 1977. (See Table 3). The estimated increase of $13 billion between 1976 and 1977 is equal to the total of all Federal Grants in 1966 - just 10 years earlier. Over 50 percent

of this increase was in categorical funding and the remainder was divided about evenly between block grants and GRS. These absolute increases in dollar amounts are staggering, but so is the impact of these dollars on state and local tax and expenditure patterns. As Table 3 and Chart 1 indicate, Federal grants, as a percent of state and local receipts from their own sources increased from 16.8 percent to 35.3 percent during the same 17 year period, 1960-1977.

Table 3*

Federal Grants-in-Aid as a Percentage of State-Local Receipts From Own Sources, 1960-1977
(Dollar amounts in billions)

Fiscal Year	Federal Grants		State-Local Receipts From Own Sources		Federal Grants as a Percent of State-Local Receipts From Own Sources
	Amount	Percent Increase	Amount	Percent Increase	
1960	$ 7 0	5 3	$ 41 6	10 1	16 8
1961	7 1	1 3	44 9	7 9	15 8
1962	7 9	11 0	48 7	8 5	16 2
1963	8 6	9 4	52 2	7.2	16 5
1964	10 1	17.5	56 5	8 2	17 9
1965	10 9	7 5	61 6	9 0	17 7
1966	13 0	18 9	67 0	8 8	19 3
1967	15.2	17 6	73 9	10 3	20 6
1968	18 6	22 0	82 9	12 2	22 4
1969	20 3	8 9	93 9	13 3	21 6
1970	24 0	18 6	105 0	11 8	22 9
1971	28 1	17 0	116 6	11 0	24 1
1972	34 4	22 3	131 6	12 9	26 1
1973	41 8	21 7	146 9	11 6	28 5
1974	43 3	3 5	158 9	8 2	27 2
1975	49 7	14.8	171 4	7 9	29 0
1976	59 0	18 7	190 2	11 0	31 0
1977 Est	72 4	22 6	205 0	7 8	35 3

*Source: "Intergovernmental Perspective" ACIR, Spring, 1977, p. 20.

Chart I*

The Federal impact on state-local expenditure patterns and, more importantly, on the decision-making processes controlling those expenditure (and taxing) patterns has grown significantly. There is no question that, as one observer has put it, Federal grants-in-aid have been a crucial conditioner of intergovernmental relations in this century. As will be later discussed in detail, a major concern is that the increase Federal dollars has reduced state and local decision making in the programs receiving support.

The intensity of interest and concern over the impact of grants-in-aid and grant reform is new, but the general field has been under continuous scrutiny for many years, as summarized in a 1977 report **

* Source: "Intergovernmental Perspective," ACIR, Spring, 1977, p. 20.
** Improving Federal Grant Management, (A-53), ACIR, p.4.

Official interest in the subject of grant reform dates at least from 1949, the year in which the Commission on the Organization of the Executive Branch--the first Hoover Commission--issued its comprehensive report on administrative organization. Though the section of its report on the subject of Federal-state relations was very brief, it was a landmark in the field, premonitory of judgments to be made later.

The Hoover Commission's report included a brief assessment of Federal-state relations and listed both the "assets" and "liabilities" of the grant-in-aid device. Grants were credited with having increased the quality of many services, with decreasing service inequalities among the states, and improving the administration of such state activities as highways and welfare. Among the liabilities cited, however, were the following:

Grant programs are unrelated; they are uncoordinated; and they have developed in a haphazard manner without any one agency--Federal or state--concerned with the overall impact and the overall effects of grants-in-aid upon the general operations of government.

Grants-in-aid have altered state service patterns and total state programs. Available Federal funds for matching purposes stimulate or "persuade" the states in many instances to expend large sums for an aided program while, of necessity, other needed services are neglected. The public assistance program as contrasted with the general relief program is one among many examples.

The grant-in-aid method has removed large areas of discretionary power from the hands of state officials and has transferred a measurable degree of policy making and ultimate responsibility and control for public services to the National government.

Even at that early date, the Hoover Commission complained about "excessive fragmentation" by pointing out that there were <u>three</u> grants in education, <u>three</u> in public assistance and <u>ten</u> in public health. It is instructive to compare those small numbers with the 442 categorical grant programs which exist today. On the same point, as previously noted, there are currently a total of <u>eight</u> grant programs supporting library services alone.

Criticisms of the grant programs have been sustained over the years and, not surprisingly, they have continued to focus primarily on administrative problems and difficulties. "Fragmentation," "red-tape," and "poor coordination" are almost always included in the language of criticism. An ACIR report summarizes specific criticisms as follows: *

--widespread inconsistencies among grant program procedures and requirements;

--wasteful duplication of effort, with a number of Federal agencies providing assistance for similar or identical purposes;

--conflicting or inconsistent program objectives (or effects);

--inadequate dissemination of information concerning grant programs and requirements;

--the bypassing of general purpose local governments and/or elected state and local officials;

--the tendency to distort the priorities of and weaken overall long-range planning in recipient jurisdictions;

--the common failure of Federal agencies to cooporate in support of a single project or objective; and

--conflicts between Federal regulations and state and local laws, procedures and capabilities.

Categorical Grants: The Target of Most Criticism

Thus far, this overview of today's intergovernmental fiscal climate has indicated the existence of a high level of concern and considerable discontent with the existing Federal grant system. The central focus of the criticism has been on the tremendous increase in Federal dollars

* Ibid, p. 2.

the impact of Federal funds on the pattern of state and local expenditures and the decision making processes controlling those expenditures, and the administrative complexities which are an integral part of the present system.

The specific target of most of these criticisms is the categorical grant which, along with block grants and general revenue sharing constitute the Federal grant-in-aid system. Categorical grants are Federal funds directed exclusively toward a specific program or service which is defined, usually quite specifically, in the legislation. All of the Federal grant programs in support of library services are classified as categorical.

The block grant is defined in ACIR studies as a grant directed to general purpose governments in accordance with a statutory formula for use in a variety of activities within a broad functional program at the discretion of the local government. General revenue sharing is the distribution of funds according to a formula with few or no limits on the purposes or objects of the expenditures.

The development of Federal categorical grants has been traced back to the Morrill Act of 1862 in which states were granted land, the income from which was to be used in support of higher education. This early Federal Assistance program qualifies as a categorical-grant because the purpose for which the funds were to be used was specified. The

huge increase in the number of categorical grants, particularly during the 1960's and early 1970's; has been well documented, but there has been confusion about the total number. Estimates have ranged as high as 1,000 to 1,600. ACIR studies include an inventory of grant programs which established that, as of 1975, the number of such programs was 442. The inventory also established the fact that there were four different types of categorical grants and that the number of each was as follows:*

296	-	project grants requiring separate and specific applications
35	-	formula-project grants in which specific amounts are determined and set aside for each state area
97	-	grants allocated by formula established by legislation or regulations
14	-	open-ended reimbursement grants covering a specified pattern of state-local program costs.
442		

Federal grant programs for libraries are distributed among the first three of the above classifications.

There are five existing block grant programs. The names and year of enactment of each is show below.

Partnership for health - 1966
Omnibus Crime Control - 1965
Comprehensive Employment and Training (CETA) - 1974
Housing and Community Development - 1974
Title XX Social Services - 1974

General revenue sharing (GRS) funds were distributed for the first time in FY 1974. The countercyclical general revenue sharing program was enacted in 1977.

---

* The Intergovermental Grant System: An Assessment and Proposed Policies - Summary and Concluding Observations, ACIR, Vol. 14 (A-62), 1978, p. 4.

In 1968, 98 percent of all Federal grants were specific purpose (primarily categorical) grants. The flow of money through the then new block grant device was very small and general revenue sharing did not exist. By FY 1975, the percent of money flow through specific purpose grants declined to 75 percent, block grants represented 11 percent and general revenue sharing represented 12 percent.*

Broader Issues Impacting on Federal Grant System Reform

There is a growing consensus that a tripartite structure--categoricals, block grants, and general revenue sharing--of Federal aid is optimum for our federal system of government now and for some years to come. Even so, a very recent ACIR publication** characterizes the year 1977 as ". . . a year of bold beginnings, unfinished work, and lingering uncertainties. . .," insofar as intergovernmental relations are concerned. Listed as unresolved questions are the following:

1. Is authority being decentralized or recentralized?
2. Are local governments becoming too dependent on Federal aid?
3. Has the recent increase in Federal aid eroded the states' power position in the Federal system?
4. Will the Courts step in and maintain balance in the Federal system?

Block grants and general revenue sharing are viewed as evidence of the desire to decentralize the decision making function. A summary response to the above questions is included in a section under the

---

* Compiled from OMB special analyses of U.S. Budgets for various years, as reported in an ACIR unpublished document.

** "Intergovernmental Perspective," ACIR, Winter, 1978 (Vol. $ #1), p. 5-7.

significant heading "A Tilt Toward Washington."* The following excerpt from that section explains the caption.

> Many observers of federalism believe that during the first half of the 1970's, power in the intergovernmental system seemed to shift more in the direction of decentralization than centralization. To be sure, there were major examples of action of the latter nature--such as the 55-mile-per-hour speed limit, air and water pollution standards, occupational safety and health regulations, and various energy conservation programs. But during these years, policy makers at all levels were concerned about how the system could be wound down--how power, funds and responsibility could be returned to states and localities. General revenue sharing, block grants, and the Federal Regional Councils illustrate this desire to decentralize.
>
> Today, there is evidence that a different intergovernmental balance is being sought. The increasing tendency to define "national interest" to include virtually any activity that was at one time the exclusive domain of state of local governments, the explosion of federal aid and attendant conditions, the leapfrogging of state governments, the recalling of authority from federal agency field offices, the involvement of a variety of new local participants in the grant system, and the tightening of strings associated with general revenue sharing, all have raised concerns about this development. While most of these trends began to emerge years ago, 1977 was the year in which their broader implications began to be recognized and understood.
>
> Unquestionably, the role of the federal government in the day-to-day lives of most citizens and most state and local governments has grown. Fiscally and functionally, the federal government is becoming more and more the senior partner in intergovernmental relations, and grants-in-aid have become the cornerstone of the system. There is still a tremendous amount of interaction within and between the levels, and states and localities still play major roles in public service delivery. But there are clear signs of recentralization. While it is too early to determine how far it will go, the flow of intergovernmental power, funds and responsibility has begun to move in a different direction.

Thus, reexamination and efforts to alter the Federal role in intergovernmental fiscal affairs will continue. In the view of some observers, block grants and revenue sharing are viewed as corrective

---

* Ibid.

developments counter-balancing any further spread of categorical grants. The five block grants which now exist represent a consolidation of 32 categorical support programs. In FY 1976, these five block grants represent a total Federal outlay of $4.6 billion.*

This trend and pressure toward consolidation of categoricals can be expected to continue. The Federal programs for the funding of library services undoubtedly will be the object of considerable scrutiny in the future. Among the library funding programs, the most endangered of the categorical species is likely to be the programs supporting the public library. After all, ESEA Title IV-B is really in the field of education and has some of the attributes of a block grant. The Higher Education Act (HEA) programs represent a series of small categorical grants. As previously indicated, (See Table 2), four of these programs are already earmarked for termination by the current Administration.

One of the rationales that has been used in the analysis and validation of Federal categorical assistance is that such support is appropriate when the benefits of a governmental service "spill-over" the geographic boundaries of the local jurisdiction providing sponsorship and support. This doctrine of "externalities" or public goods theory can be applied both to defend or to destroy the argument that Federal categorical aid for libraries is appropriate. Many economists raise serious questions

---

* Block Grants: A Comparative Analysis, ACIR, Report A-60 Oct. 1977, p. 7.

about applying the doctrine in any such precise way. Nonetheless, the use of this criterion as an argument against library categorical support programs can be expected. One writer has classified a range of governmental services, including the public library, on the basis of the geographical scope of benefits from their services. The classification is shown in Table 4.

Table 4

Classification of Selected Government Services by the Geographical Scope of their Benefits

Local*	Fire Protection
	Police Protection
	Parks and Recreation
	Public Libraries
	Water Distribution
	City Streets
Intermediate**	Air and Water Pollution
	Water Supply
	Parks and Recreation
	Public Libraries
	Sewage and Refuse Disposal
	Mass Transit
	Arterial Streets and Intercity Highways
	Airports
	Urban Planning and Renewal
Federal***	Education
	Parks and Recreation
	Aid to Low-Income Groups
	Communicable Disease Control
	Research

(emphasis added)

---

* Services with few important benefit spillovers beyond the local level of government.

** Services with significant spillovers beyond the local level but not beyond the regional level.

*** Services with significant spillovers beyond the regional level.

SOURCE: George F. Break, Intergovernmental Fiscal Relations in the United States (Washington, D.C.: The Brookings Institution, 1967), p. 69

It should be noted that the classification includes only public libraries which are viewed as having a local and some regional benefits. The concept of libraries and information services as components of a national program or network is not reflected in this early (1967) study. However, education and research, both of which increasingly require access to a national network, are classified as having Federal benefits.

In summary, the trend and direction of a continuing analysis and evaluation of the Federal grant system, in general, and categorical grants, in particular, can be discerned in the following excerpts from the final volume of the ACIR intergovernmental grant system analysis. The report calls for the Congress and the President to give full attention to:*

1. A joint effort to simplify and standardize the procedures and requirements of Federal assistance programs.

2. The merger of the many Federal grants-in-aid into a much smaller number of consolidated block grants.

3. Careful assessment, before and after enactment, of the impact of intergovernmental regulatory standards and procedures.

4. The ongoing evaluation of achievements, failures and impacts of Federal grant-in-aid programs and the related need for the design of different aid instruments.

5. Providing for a reexamination of Federal, state and local roles, an assessment of program interrelationships, and a consideration of the possible use of instruments other than grant-in-aid to realize national objectives.

---

* The Intergovernmental Grant System: Summary and Concluding Observations, ACIR, Vol. 14 (A-62), 1978, p. 77.

The ACIR summary recommendation and five point strategy for Federal reform is presented in Appendix B.

Thus, the implications for change from the current (and continuing) intergovernmental fiscal climate are clear. The general tendency to consolidate categorical aid programs will continue. This does not mean that all Federal categorical aid programs are inappropriate, or that all should be eliminated or consolidated. It does mean that the burden of justifying particular categorical aid programs, such as those in support of libraries, becomes heavier and must be faced directly. It also means that aid programs which are difficult to administer and those which are not fully effective will be examined most closely. In the next section of this report, this kind of examination will be applied to the several aid programs which now support libraries.

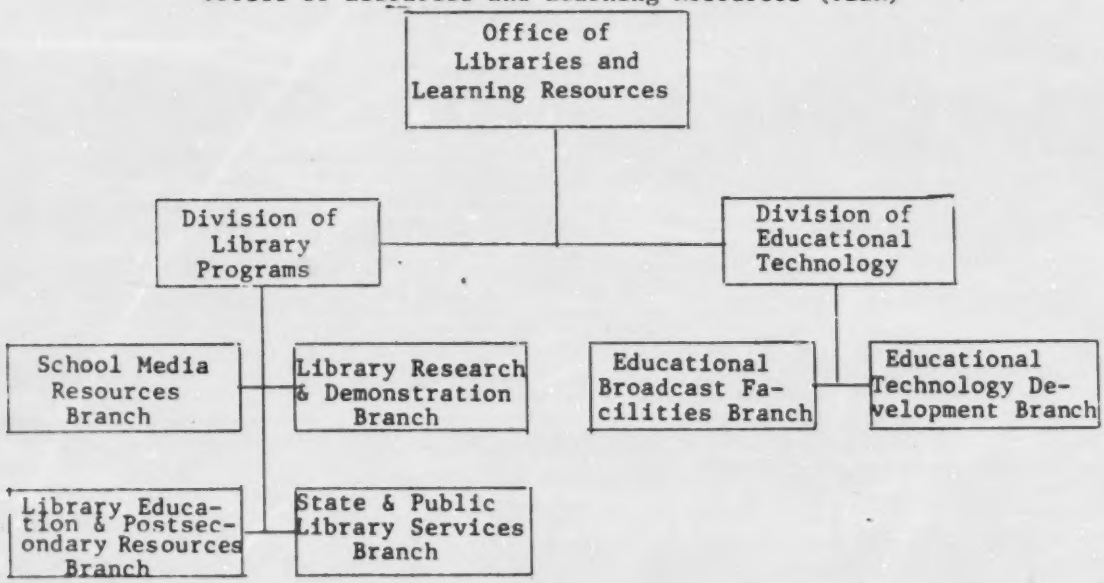
III. Existing Federal Program In Support of Libraries and Appraisals of their General Effectiveness

Existing Programs: Bases, Objectives and Mechanisms

In 1974, Congress created within USOE, the Office of Libraries and Learning Resources (OLLR) (see Chart II) through which the Commissioner of Education was to administer all programs in the Office of Education related to assistance for libraries, information centers and educational technology.

Chart II

Office of Libraries and Learning Resources (OLLR)


Office of Libraries and Learning Resources
Division of Library Programs
Division of Educational Technology
School Media Resources Branch
Library Research & Demonstration Branch
Educational Broadcast Facilities Branch
Educational Technology Development Branch
Library Education & Postsecondary Resources Branch
State & Public Library Services Branch

As described in OLLR's program information, the Office's mandate to effect better coordination and utilization of the Nation's libraries and instructional resources, to enhance learning, and to improve information services includes the following responsibilities:

--Improve public library services, including services to the State institutionalized;

--Stimulate interlibrary cooperative activities;

--Provide school library resources and instructional equipment to public and private elementary and secondary school students and teachers;

--Provide college library resources and instructional equipment;

--Aid in the training of library personnel;

--Assist State, local and Federal Government agencies and officials, librarians and information scientists, library educators, professional associations, citizen groups, and others in their efforts to develop and disseminate successful library practices;

--Support the application of validated instructional techniques, including educational television programming;

--Provide matching grants for the acquisition and installation of electronic equipment to be used in non-commerical educational broadcasting stations; and authorization for support of the Corporation for Public Broadcasting;

--Assist major research libraries in maintaining and strengthening their research collections and in making them available to other libraries and users.

The OLLR FY 1979 Budget Justification document points out the extent to which, over the past 22 years, Federal support has assisted in strengthening the nation's basic library systems involving school, college, and public libraries. A summary of expenditures during this 22 year period is shown in Table 5.

Table 5

Summary of Federal Library Support Expenditures 1975-1978

	Appropriation: Fiscal Year			
	Total 1956-1975	1976	1977	1978
LSCA-Title I	$485.4	$ 61.4	$ 56.9	$ 56.9
Title II	174.1[a]	-0-	-0-	-0-
Title III	24.3[b]	3.2	3.3	3.3
ESEA-Title IV B	N.A.[c]	68.7	154.3	167.5
HEA II A (Resources)	145.5[d]	9.9	9.9	9.9
HEA II B (Demonstration)	21.4[b]	1.0	1.0	1.0
HEA II B (Training)	39.6[d]	.5	2.0	2.0
HEA II C (Research)	Did not exist until 1978			5.0
HEA VI A (Equipment)	109.9[d]	7.5	7.5	7.5

(a) 1965-1973; (b) 1967-1975; (c) ESEA Title II, 1966-1975; (d) 1966-1975

Source: OLLR FY Budget Justification Document

OLLR reports that in 1979, its planned use of Federal aid will stress provision of specialized services and extension to unserved population groups under the public library programs, innovative activities under the school libraries and instructional resources program, and the initiation of a national network of research libraries. College library and college equipment programs are not recommended for support, in keeping with the policy to provide direct student aid rather than narrow categorical support to institutions of higher education and other non-profit organizations and agencies.

A descriptive summary of each of the programs listed in Table 5 showing type, method of operation and the 1979 OLLR budget policy is presented in Appendix C.

Appraisal of Federal Library Support Programs

How well are the existing Federal support programs serving the Nation's library and information service needs? For purposes of this analysis, the question posed must be broken down into several components.

1. How well are the existing Federal support programs serving the objectives and purposes spelled out in the legislation which authorizes their existence?

2. Are these legislative objectives and purposes themselves an adequate expression of an appropriate Federal government response to serving the Nations' library and information service needs--now and in the foreseeable future?

3. What connections exist, if any, between the form, nature and pattern of existing Federal support programs and those required by the emerging national program (network) of library and information services? How and in what ways can their connections be strengthened and augmented to stimulate and sustain the development of a national program network?

The questions posed start out hard and grow progressively more difficult. Their scope includes not only an appraisal of the general effectiveness of existing Federal fiscal support instruments, but also an assessment of the adequacy of present Federal role itself. The beginning point is to examine and summarize the results of evaluations of existing programs that have been made in recent years. A synthesis of key appraisal findings will be presented for each program indentified in Table 5.

1. Library Services and Construction Act - Title I

The general conclusion of a 1976 study sponsored by NCLIS* was that the Federal funding effort under LSCA has been only moderately effective in assuring the development of public library services adequate to meet present and future needs throughout the nation.** The report points out that much has been accomplished under the existing program to sustain and develop the public library as a community-based information and educational institution. It also should be pointed out that LSCA was never designed in response to the presently felt need for a national network of information and library services. However, major gaps both in rural and in urban areas still exist and a disproportionately heavy burden of fiscal support is carried by local government. The analysis included an examination of whether libraries were receiving a significant amount of additional funds from General Revenue Sharing. The answer was demonstrably negative.

---

* Evaluation of the Effectiveness of Federal Funding of Public Libraries, prepared by Government Studies & Systems for NCLIS, 1976, p. 106.

** A new study to evaluate the impact of the LSCA Title I program was authorized by O.E. September 30, 1978.

Problems and inadequacies on public library funding that have not responded to the LSCA stimulus include the following*:

--Using public library per capita expenditures as indicators, analysis shows that there are gross disparities in library service offerings at the local level. Per capita expenditures range from less than $1.00 to over $15.00, against a median of $3.28. This disparity is most marked as between the 139 million citizens living inside SMA's and the 64 million living in more rural areas. The average per capita expenditures of SMSA residents was $6.61 in 1974 compared to $3.01 in rural areas.

--There was also disparity in expenditures related to income. Expenditures per $1,000 of personal income among states in 1975 ranged from $.51 to $1.47, a difference of almost 200 percent.

--While expenditures for public libraries increased during the period 1967-1974, the increase was far smaller than increases for other state and locally financed services (schools, health, police and recreation). The average annual rate of increase for libraries compared unfavorably to increases for the other services.

--It is apparent that the bulk of the increase in public library expenditures fell on local government and sustained its disproportionately heavy share of public library costs.

--The percent distribution of public library costs is thus nowhere near a balanced intergovernmental funding system recommended in earlier studies. The overwhelming portion of the costs still falls on local government and any relief afforded by the slight increase in the state share is almost imperceptible. Nationally, the states' share of public library expenditures increased slightly from 10.8 percent in 1972 to 12.9 percent in 1975. The Federal share dropped from 5.8 percent to 5.0 percent, and the local share moved only slightly from 83.4 to 82.1 percent during the same period.

--State-aid payments for public library services are not keeping pace with the total of state payments to local government, and the gap is widening. In 1967, state aid to public libraries was .33 percent of all state aid. This figure declined to .22 percent in 1974.

--Other weaknesses cited included the fact that the level of funding has been unstable and seldom in accord with goals, amounts distributed to many states are too small to achieve effectiveness.

---

* Extracted and adapted from Evaluation of the Effectiveness of the Federal Funding of Public Libraries, NCLIS, 1976, pp. 108-111.

The list of deficiencies and the overall conclusion that the LSCA Title I program has been only moderately effective should not be used to obliterate some positive accomplishments. On the positive side:

--there are some 9,000 to 10,000 public library units providing a wide range of library and information services;

--total expenditures for these services exceeded the $1 billion mark in 1975 reflecting nearly a 1/3 increase over 1972;

--states have increased, modestly at least, their share of local public library expenditures;

--local jurisdictions, although hit hard by rising costs and tax ceilings, have continued to support the lions share (85 percent or more) of public library costs; and

--under the stimulus of the matching and planning requirements, states have moved to strengthen their library support and administrative structures.

2. Library Service and Construction Act - Title III

A study now in process of publication for the Office of Planning, Budgeting and Evaluation, USOE, on the impact of LSCA Title III has produced findings generally more positive for this title, as opposed to Title I. The general conclusion can be summarized as follows:*

LSCA III has impacted the development and expansion of library cooperation in a number of ways. LSCA III is a major driving force behind the development of multitype library cooperation and networking, primarily at the State level. Along with LSCA I, use of LSCA III has resulted in greater centralization of planning and administration of library services at the State and regional levels. LSCA III was credited as a major influence on State legislatures to modify or pass into law legislation favoring cooperation and networking.

* A Study of Library Cooperatives, Networks and Demonstration Projects prepared for the Office Planning & Evaluation, USOE, March, 1978 by Applied Management Science, p. 12.5.

The State Library Agencies credited LSCA III with providing the impetus for participation in intrastate and multistate cooperatives/networks, and for increased use of telecommunications. More than 76 percent of the States actively participated in intrastate and multistate library networks in 1976. Over 63 percent of the States were able to install or upgrade telecommunications linkages among public, academic, and special libraries.

The evaluative results of this study are not all positive, however. A very serious weakness is the overall size of the program. In 1977, the total appropriation for Title III was $3.3 million and the amounts distributed to states were so small as to be greatly limited in effectiveness. The program has a distributional "floor" of $40,000 and no state gets less than that amount. The largest amount, reflecting size of population, is only $158,362 (California). Other deficiencies included:

--LSCA III is used to provide support for programs already integrated into the states' basic program of library services.

--85 percent of projects receiving Title III funds were ongoing and not new or experimental projects.

--Many projects funded by this means were restricted in the range of cooperative and networking services they supported--interlibrary loan and referral services for example, tended to be over-supported to the detriment of developing new forms of cooperation and networking, and

--dissemination of information about networking is very superficial and there are no systematic efforts to share information among the states.

The study provided many recommendations for changes in the Title III program, including an expansion of aid to $10 million per year through 1985.

3. Elementary and Secondary Education Act - Title IV-B

This is the largest in the array of library support programs and the amount available for distribution to the states in 1978

has increased almost 2-1/2 times since 1976 ($68.7 million to $167.5 million). An early evaluation of the program (then known as ESEA Title II) was prepared in 1972 by OE Staff.* The report stated that the program was effective in attaining legislative goals, but that the program fell short of meeting needs. The report included recommendations for additional funds and program strengthening. There is a current study of ESEA IV being performed for USOE by the Rand Corporation. While this study focusses on implementation issues and research questions, it provides some information helpful in an assessment of Title IV. The following notes are extracted and adapted from the study working papers.**

--ESEA Title IV was the first major consolidation of federal education programs and as such raises questions both about how the Act has been implemented and about the effectiveness of consolidation as a federal strategy.

--The consolidation was an exercise in political expediency rather than administrative feasibility. Not only are the procedures governing the administration of Part B (libraries, learning resources, media and guidance and counseling) and Part C (local innovative projects, SEA and LEA strengthening, dropout prevention, and health and nutrition) substantially different, but many of the programs consolidated within each of these parts lack a common focus or purpose.

--USOE's efforts to implement Title IV have been hampered by a lack of clarity in Congressional intent. For example, at the time Title IV was authorized Congress also created an Office of Libraries and Learning Resources (OLLR) within USOE. Two years later, in the Education Amendments of 1976, Congress authorized an administrative unit in USOE to coordinate all guidance and counseling programs. Yet, Title IV-B was designed to be a consolidated library and guidance program.

--In the simplest terms, this means that there is no real administrative consolidation of Title IV at the federal level. Not only have the procedures adopted by federal staff to coordinate

---

* An Evaluative Survey Report on ESEA Title II, Fiscal Years 1966-1968 p. 69-72.

** ESEA Title IV: A Working Note prepared for the Department of HEW, January 1978, RAND Corporation.

the administration of Parts B and C not consolidated program operations, but they have actually added unnecessary costs to administration of Title IV.

--These are a number of problems with the "maintenance of program effort" required in the law including:

  --lack of a standard maintenance of effort format for all federal programs

  --few districts account for expenditures in a format compatible with Title IV data requirements

  --local districts find it difficult to maintain effort in the face of declining enrollment and severe budgetary constraints.

--Often the application required by SEAs is so long that smaller LEAs are dissuaded from applying.

--The part B formula requiring that high cost students be weighted more than general enrollment students has been the source of problems. The requirements of the formula are unclear.

--The lack of local administrative funds for Part B has made it particularly difficult to provide services to non-public schools.

4. Higher Education Act (HEA) Title II-A - College Library Resources

This program, which began in 1966, was funded through 1969 at a much higher level ($25.0 million) than the $9.7 million level operative since 1975. While the Title involves three types of grants, the Education Amendments of 1972 required that all basic grants up to $5,000 be satisfied before supplemental or special purpose grants could be made. Thus, in FY 1978, the $9.9 million appropriation provided a basic grant of $3,900 to 2,550 institutions of higher education. While some observers defend these sub-marginal grants, the Administration seeks termination of the program in 1979 on the grounds that the grants are marginal and that they are made without regard to need.

5. Higher Education Act (HEA) II- B - Career Training

A USOE sponsored evaluation in 1970 of the Title II-B program concluded that, in terms of degree completion, post-program employment, and subjective evaluations by academics - the program is successful.* Evaluation by the Bureau of Social Science Research (1969), and Rutgers University (1972) also found parts of the program effective. From the outset, however, there was overlap between the Title II-B program and training programs available under the Vocational Education Act of 1963. In 1970 the U.S. Commissioner of Education requested zero funding for Title II-B because it duplicated other authority. The Administration is seeking to terminate the program for FY 1979 and states that the supply of and demand for librarians is now in equilibrium. Other observers dispute the view and cite the demand for minority libraries, community outreach librarians, media specialists and library automation specialists.

6. Higher Education Act (HEA) II B - Library Demonstrations

This program was enacted by the Congress (P.L. 89-329 and P.L. 92-138) in 1965 for the purpose of providing discretionary grants to support research and demonstration in the fields of library and information sciences. Since 1971, the Program has provided $11.1 million for this purpose, and currently provides $1 million in grants each Fiscal Year.

The recent evaluation of LSCA Title III, previously cited, also included an appraisal of this HEA II-B funding program. A general

---

* "Federally Funded Training for Librarianship," Sarah R. Reed, in Library Trends, July, 1975, p. 91.

conclusion as to the program's impact is as follows:*

Impact: The HEA II-B Library Research and Demonstration Program has had a significant impact upon the library and information community merely by virtue of its existence. Several projects have been successful locally and a few have had national impact, such as the series of projects which contributed to the development and improvement of the Ohio College Library Center (OCLC).

On the face of it, this conclusion reflects a rather "stretched" finding of success. Some deficiencies noted were:

--lack of a cohesive national plan of program direction;

--lack of adequate dissemination of program results at the national level; and

--lack of adequate funding.

7. Higher Education Act II C - Strengthening Research Libraries

This program is just now (1978) being funded for the first time.

8. Higher Education Act - Title VI - College Instructional Equipment

Evaluative information on the impact of this program is not readily available. The reason given for the Administration's request for termination (See Appendix C, page C-4) was that ". . . awarding so many small grants makes for inefficient and ineffective use of Federal funds." The $7.5 million (1977 appropriation) is allocated among the states on the basis of per capita income and college enrollments. Individual state grants ranged from $5,000 in Alaska to $975,000 in California.

In summary, these various evaluations of existing support programs produced a mixed bag of reactions. Ratings of unqualified success

---

* A Study of Library Cooperatives, Networks and Demonstrations Projects, for Office of Planning, Budgetary & Evaluation, USOE, by Applied Management Sciences, p. 6.

were not in evidence and there was some lack of "hard data" to support precisely stated rating measurements. The two largest programs--LSCA Title I and ESEA Title IV-B, representing almost 90 percent of all Federal support funding, received only moderate or guarded ratings of effectiveness. LSCA limitations are due to both a widening gap between legislative goal and amount of funding available, and deficiencies in the fund distribution mechanism. ESEA Title IV-B weaknesses include program administration complexities, some of which are due to irrational compromises made as part of the recent consolidation of Title B and Title C programs, difficulties in monitoring state and local education agencies' utilization of Title IV-B funds, and the lack of objective criteria for determining program effectiveness at the impact level. LSCA III (Interlibrary Cooperative Support) and HEA II-B (Training, Research and Demonstration); on the other hand, were given generally higher ratings of effectiveness. The major deficiency with these programs is that the amount of funds involved is so small as to limit severely any effective impact. The other programs--HEA II-A (College Library Resources) and HEA VI (College Instructional Equipment)--are clearly deficient in clarity of objectives, size and distributional mechanism. HEA II-C (Strengthening Research Libraries) is new and cannot yet be appraised in terms of effectiveness.

Are Present Legislative Goals and Objectives Adequate?

The question to be addressed in the light of the above appraisal is: are the legislative goals of the present funding program themselves

an adequate expression of an appropriate Federal Government response to serving the Nation's library and information service needs now and in the foreseeable future? The question, of course, turns on definitions of (1) present and future national library and information service needs, and (2) the role of the Federal Government in meeting such needs.

If the eight stated objectives of NCLIS' recommended national program (see page 5) can be used to represent a general statement of defined needs, it can be argued that implications for Federal intergovernmental fiscal support are present in more than one-half of the objectives as summarized below:

--ensuring minimum adequate service

--adequate special services to special constituencies

--strengthening state-wide resources, and

--ensuring continuing education of library personnel

--plan, develop and implement a nationwide network.

Funding implications are also clearly evident in the Commission's definition of a national network.*

> A nationwide network of libraries and information centers means an integrated system encompassing state networks, multistate networks, and specialized networks in the public and private sectors. The Federal Government would force no library or information service to join the network, but it would provide technical inducements and funding incentives to state governments and the private sector to strengthen their ability to affiliate.

---

* Toward a National Program for Library and Information Services: Goals for Action, NCLIS, p. 49.

> At first, network affiliation is expected to occur organizationally through formal agreements or contractual relationships among groups of libraries and other information facilities. But later, the Federal Government would provide financial and other incentives to the states and to the private sector to enable them to achieve working interconnection. In certain specific instances, the Federal Government would assume responsibility for the interstate portion of the network's activity.

Other sections of the NCLIS national program report suggest Federal responsibilities in the development of a nationwide network as follows:*

--to encourage and promulgate standards

--to make unique and major collections available nationwide

--to develop centralized services for networking

--to explore computer use

--to apply new forms of telecommunications

--to support research and development

--to foster cooperation with similar national and international programs.

There are both budgetary and intergovernmental funding implications in this list of responsibilities.

In spite of the descriptive detail and specificity in the above delineation of a nationwide network, the implications for Federal funding are no more than that. Much more work is required to further define the concept and to analyze intergovernmental roles and funding patterns. As the report itself makes clear**

> To bring this all about will require new legislation. . .this legislation would need to: define the total program; assign responsibilities and functions within the Federal Government

---

* Ibid, pp. 50-59.

** Toward a National Program for Library and Information Services: Goals for Action, NCLIS, 1975, p. 49.

to relevant agencies; provide needed authorizations; specify the criteria for participation in the network; and authorize multiyear appropriations commensurate with program and accountability requirements.

Moreover, there is some confusion between the concepts of a national program and a nationwide network. The nationwide network is included in the national program as a means of meeting national needs.

However, regardless of the ambiguities, if it can be assumed that the definitions of a national program and network are valid responses to expressed needs, then it is clear from this analysis that the objectives and goals of the existing Federal fiscal support laws are neither an adequate nor appropriate base for the task of meeting the Nation's library and information services needs. A huge gap exists between the present legislative base for Federal funding of local libraries and a national program based on the broad concept of an information transfer chain, and the expanded role which might be played by the existing national libraries. The existence of the gap does not, of itself, suggest that any of the existing programs should be discarded or separately revised. What is clear is that the disparate nature and low funding levels of the present Federal funding programs supporting local libraries does not represent, conceptually or legislatively, anything like an integrated national program.

What Connections Exist Between Present Federal Support Program and New Needs?

The final question in the series posed earlier--do connections exist between the present Federal funding programs and those required by the emerging national program or network?--is also answerable by means of the foregoing analysis. The other part of this last question--how and in what ways can these connections be strengthened and augmented to stimulate and sustain the development of the national program and network?--is also answerable, at least in part.

The network concept, as further defined by NCLIS is characterized as a "full-service" network. The precise meaning of the term "full-service" seems to be that it encompasses all information sources and that it does not refer merely to the technological aspects of network linkages. The following definition makes this meaning clear.*

> The NCLIS concept of a full-service network ". . .refers to a rational, coherent pattern of integrated activity among information suppliers and information seekers. Within that framework, then, there is no mandate that all activity must be computer based, nor do we see any need to issue such a mandate. Information is, and can be, transmitted in many ways, via computer is but one option. On the other hand, that framework does assume a coherent pattern of communication. That is, we believe logical channels must be identified and utilized, that the direction and flow of bibliographic data, of documents themselves, of information concerning bibliographic data, and of information itself can and must be structured if adequate service to the user is to be provided with optimal economy and efficiency through the network. In our view, this requirement for rationality applies equally to the transaction between information-seeker (e.g. the individual library patron) and information provider, between one

* "Toward a National Program for Library and Information Service: Progress and Problems," Alphonse F. Trezza, Aslib Proceedings, February 1978, p. 85.

library and another, laterally or hierarchically, between library and vendor or publishers or between a periodical access centre, for instance, and its users. And it applies equally whether the transaction is document delivery, or an interlibrary loan request, or a query concerning an acquisitions decision.

From the perspective of this definition, it is obvious that all existing library and information resources are components of the national program concept. This conclusion is not intended to validate the present Federal role or mechanisms, nor to suggest the scope and nature of any new Federal role. The conclusion does make clear, however, that adequate support of the public, school, academic and research libraries, presently the objects of the Federal support program, is essential to the national program. Wide differences of opinions can be expected as to whether the present Federal support is "adequate," and whether it is an appropriate Federal role to provide categorical aid to different kinds of libraries and library and information services. Early analyses reported in this paper concluded that the present Federal support programs for libraries under LSCA and ESEA IV-B, the two major users of Federal funds, were something less than adequate. Moreover, it was pointed out that Federal funding levels for these programs, prior to the authorizations for 1979, had had not changed in recent years, except in the case of ESEA IV-B, and that the Administration had taken action to cut certain programs. lso, there is increasing resistance to Federal support of the library as an "institution" in preference to a targeting of funds to meet special needs. The H.E.W. FY 1979 Budget Justification, cited earlier, contains the following statement which is relevant to this point.

> Over the past 22 years, Federal support has assisted in strengthening the nation's basic library systems involving school, college, and public libraries. Nearly $4 billion has been provided in direct appropriations and revenue sharing. The basic system of libraries is now in place.

These issues, and others, will be considered in the next section of this paper. At this point it is sufficient to note the relationships and connections between the present Federal support programs and new conceptions of need based on definitions of the national program.

The general direction of actions to strengthen and augment these connections in the light of national program needs may be easier to define than to implement. The primary emphasis is to somehow achieve the strategic and timely development of all components of the total program. The next section of this paper will provide alternatives for use in determining the best possible course of action to achieve this goal.

IV. Alternative Models of Federal Support of Libraries and Information Services

The Federal Role Question Revisited

This paper is addressed to delineating the prospects, possibilities and alternatives for Federal support of libraries and information services over the short-term future (5-10 years). Thus far, in the process of exploring that topic, a number of basic characteristics or conditions have been identified, analyzed, or commented on including:

--the scope and disparate nature of the array of services included in the concept of libraries and information services;

--the nature and extent of present involvement of the Federal Government in libraries and information services support;

--the nature and degree of turbulence affecting the field of intergovernmental fiscal relations in general, and Federal support of libraries in particular;

--the constraints, weaknesses and deficiencies of the existing Federal support programs of local libraries and information services at the state level and below; and

--the scope, nature, and characteristics of a national program or network of library and information services.

The underlying objective in all these analyses is to come to terms with the central questions posed: what realistically, is likely to be (or should be) the basic form and pattern of Federal funding of library and information services in future years?

Alternative models of future Federal involvement can be proposed for consideration and analysis, but first, perhaps, it is expedient to deal with the underlying question of whether or not the Federal government should have a funding role in the providing of library and information services at the state level or below. One kind of pragmatist may

argue that to debate such a question is fruitless, or even negative. They will argue that the Federal role has existed for almost a quarter of a century and that the continuation of that role in the same or revised form should be assumed. Another kind of pragmatist might argue that Federal experience in library funding represents an example of the vulnerability of the Congress in responding with funding support for almost any constituency that is politically attractive and is able to mount a well-organized lobbying effort. They will point out that once this kind of funding program is sanctioned, it is well nigh impossible to terminate through Congressional action. This, it will be pointed out, is the reason for the continuing existence of many categorical funding programs which, even after five or so years of consolidation efforts, still number 442 separate programs representing about 75 percent of all Federal grants. A third will argue that, after all, the responsibility for libraries is clearly a state responsibility, just as is education, and that, after 22 years and $4 billion dollars of Federal involvement, libraries should be able to exist without any more Federal assistance. The primary focus of these arguments likely will be on the public library in general and LSCA in particular. Similar concerns about school libraries and ESEA Title IV-B are not so discernible, if they exist at all. The Congress has passed (H.R. 15 10/15/78) a five year extension of ESEA. The President on 10/18/78 signed the HEW Appropriations Bill containing a 7.4 percent increase ($167.6 million to $180.0 million) in ESEA IV-B. (See Table 2).

Other reactions to this line of reasoning, it would seem, can take one of two general directions: either (1) to argue directly the appropriateness of Federal support--past, present and future, or (2) to argue that, whatever has been the past or present rationale for Federal involvement, the need now is to develop the national program and that, clearly the Federal Government has a role in that development. The first argument might be characterized as being defensive and weak. The second suggests a brand new strategy, but carries with it two obligations--to prepare a Federal policy and legislative design for developing and maintaining the national program, and to define, within that design, the nature and level of the Federal fiscal response required.

The Federal role question, as it pertains to libraries and information services, should be viewed by the library community as both legitimate and serious. The past proliferation of categorical grant programs is a fact. So is the tendency, as ACIR has pointed out, to define "national interest" to include virtually any activity that was at one time the primary domain of state or local government (see page 18). The underlying concern of these generalist observers of the intergovernmental fiscal scene is the changing nature and strength of our Federal system of government which is built upon the premise that each level of government has a specific and essential role to play. They see the willy-nilly growth of the Federal grant system as either an excuse for state and local government to not deal with the issues involved, or as an encroachment on the proper decision making roles of these levels of government.

While these are strong arguments of national concern, it should be noted that they are collectivist in nature. The focus is the collective impact of these Federal fiscal "intrusions" on the effectiveness and strength of the Federal system. While some observers may argue strongly that libraries are not a Federal fiscal responsibility, no specific or comparative analyses are available to demonstrate this particular view.

Ultimately, however, the library and information service community must make its case against the view that Federal support for these services is inappropriate, or unnecessary, or both. The elements in making such a case might include:

--the changing nature of the library, particularly the public library, as a unique community institution whose continued existence is threatened by the increasing fiscal stresses on local jurisdictions which provide about 80-85 percent of the funding:

--the essential need <u>now</u> to design, develop and implement a national program and network of library and information services capable of meeting the immediate access to knowledge and information demands of a post-industrial society;

--the need to further stimulate and guide the states to assume a stronger and more active role in the fiscal and functional support of library and information services development;

--the increased utilization and importance of libraries and information services in reconceptualized and expanded public education programs featuring less formal, less structured, non-classroom educational service models for a wider segment of the population; and finally

--the increasing capability and demand for all components of the library and information service community, public and private, to coalesce and coordinate their services and provide expanded access.

While there is a significant amount of guiding research on several of the above elements, there is much to be done to document and validate other elements.

Alternative Models for Federal Support

Based on the foregoing review and analyses of (1) national program developments and requirements, (2) factors at play in the intergovernmental fiscal scene, and (3) the nature, characteristics and evaluations of the existing Federal support programs, there would seem to be a number of different models of Federal support programs which can be considered for near future development and adoption. Such models can be designated as follows:

1. Status-quo
2. A revised Federal role as proposed in Senate Bill 3944 (1974)
3. Modifying the existing funding mechanisms within the framework of a categorical approach
4. A modified block grant approach focused on a national program of libraries and information services

In the following examination of each of these models, the intent is not to be definitive or to suggest a final version. The discussion is intended to stimulate further analysis, revision and refinement of any of these models over the course of the next year or so. Certainly, such discussion should be considered an important part of the upcoming White House Conference agenda. The timing is fortuitous. The 1977 version of LSCA is scheduled for termination in 1982. Lead time is required, under most of the model options identified, for further delineation and research and to develop the necessary policy and legislative instruments.

1. Status quo

   In developing any series of policy options, the status quo alternative is the first and easiest to identify. However, reasons can be advanced--pro and con--to demonstrate, in the view of some observers, why this option is the most practical, or the most desirable, or both. Beyond the reasons of inertia and resistance to any change, it can be argued that library and information

services exist basically as a set of free standing, autonomous components and that any attempt by the Federal Government to provide fiscal incentives for operational linkages, beyond those achievable through the existing LSCA Title III and the other categorical programs, is doomed to failure. Further, these observers might point out that the various Federal support programs have been effective in raising service levels and strengthening existing institutions and services, but that more time is required for further strengthening under the existing system before change can be made. Besides, it might be further argued the ideas of a national program and network are, as yet, rather visionary and difficult to sell to the Congress and to the Administration. It is a lot safer and more effective in the long run to keep things as they are; and to concentrate on building and maintaining Congressional support for established programs which are functioning fairly well.

Those in favor of change of the broadest variety and at the earliest possible moment might read the present situation quite differently. They might note that, both substantively and strategically, the need for revision of the existing patchwork of uncoordinated Federal support programs is unmistakable. Substantively, they would argue that, while LSCA, ESEA Title IV-B and the HEA programs were useful and effective legislative

conceptions 10 or 15 years ago, that time is now past and new legislative packages are required. Strategically, they would doubtless point out that the existing set of programs are extremely vulnerable. Successive administrations, including the current one, have attempted to terminate important components of the program and it is only a matter of time until such efforts will succeed. These observers would cite the current turbulence in the intergovernmental fiscal scene and the continuing effort to consolidate categorical grant programs as further evidence of the wisdom of change.

2. A Revised Federal Role as Proposed by Senate Bill 3944

Senate Bill 3944, called the "Library Partnership Act," was introduced in 1974 at the Administration's request. While the measure never reached the floor of the Senate, it did represent a significant departure from existing library legislation and should be considered as an alternative approach. The bill's development and introduction can be cited as evidence of the need to seek a different direction for library funding. The bill provided the following elements of a Federal support program:*

1. Discretionary grants to be awarded by the Secretary of the Department of Health, Education, and Welfare (HEW) for the demonstration of innovative library services to the handicapped, institutionalized, and the economically disadvantaged; for the demonstration of means to integrate informational and educational services and for planning activities authorized under the Act.

* Evaluation of the Effectiveness of Federal Funding of Public Libraries, Government Studies & Systems for NCLIS, 1976, pp. 47-48.

2. Eligible recipients of such grants could include State and local library agencies; public and non-profit organizations and institutions.

3. The legislation was proposed to extend from FY 1975 through FY 1977.

4. No specific authorization level was specified in the bill, although the FY 1975 budget proposed $15 million and the FY 1976 budget recommended $20 million.

5. The State library administrative agency was not designated the official recipient of the funds, but it was granted authority for review and comment.

6. Funding for any given project was to be prorated with Federal financial assistance covering up to 100 percent in the first fiscal year, not to exceed 40 percent in the third fiscal year.

7. The Secretary of HEW was to be held responsible for establishing criteria for the approval of grants.

Those in favor of this approach would argue that such legislation appropriately diverts Federal funds away from institutional support for public, school and academic libraries in favor of targeted groups of people with special needs. This change, it would be argued, is in keeping with a proper Federal role. Furthermore, the bill would make provision for interlibrary and/or interinstitutional arrangements leading to a closer alliance between the informational services of libraries and the provision of public education. These kinds of activities include some of the more important elements of LSCA, ESEA Title IV B and HEA legislation, but with a more precisely and appropriately defined Federal role, these observers would point out. Moreover, the

demonstration aspect of the bill, with discretion exercised by the Secretary of HEW would provide tight controls, a better return on Federal dollars, and high quality research and planning assistance for all components of the library and information service community, so the argument goes. These observers would view positively the bill's elimination of LSCA and ESEA required state plans because they believe the response is usually pro forma, and they would approve the by-passing of the state library administrative agency as an eligible recipient of demonstration funds.

Those in opposition to the bill would argue that it represents a significant down-grading and retrenchment of the Federal fiscal role under the guise of a new partnership. They would point out the great gap between the $15-$20 million in Federal fiscal support offered by this bill and the $253 million total offered currently through LSCA, ESEA Title IV B, and HEA as evidence of that fact. Federal intergovernmental observers might also suggest that, apart from reducing the Federal funding (which they might view as a positive achievement), the bill has little to commend it. It is still a categorical grant program funded at a rather high level--given its objective of demonstration and the exclusive control over what is to be funded in the hands of the Secretary of HEW. Such critics would perhaps emphasize that the bill's provision for completely discretionary funding does not permit any state, local and private input on what kind of demonstrations should be funded.

Those concerned about strengthening the state library agency as the proper administrative, planning and funding unit for these services, would argue that bill effectively bypasses the state in funding and, thus, downgrades the role of the state. This, they might add, is hardly a desirable partnership between the state and the Federal government in any new national program.

3. Modification of the Existing Funding Mechanisms

Those observers who are convinced of the need for moderate change in Federal support of libraries and information services might take the position that the best course of action now is to revise and strengthen the existing funding programs and mechanisms within the framework of the categorical approach. They would argue that, while it is sound to push for a consolidation of categoricals as a matter of national intergovernmental policy, the particular need in the Federal library and information service funding is for close and continuing Federal involvement and a targeted funding approach focussed on the staged development of a national program.

After all, they could contend, the weaknesses and deficiencies of the present funding programs are well known and can be corrected using recommendations now on hand.

Witness the following as an example of the kinds of recommendations for change made by recent studies.

--Recommended changes in LSCA

--The basic recommendation of this report* is that the Library Services and Construction Act be revised and strengthened to be a more effective instrument of a Federal policy designed to assist states and localities in the development and equitable distribution of public library and information services as part of a national plan. This conception is based on a redefinition of Federal policy for public libraries targeted specifically on the prioritized expansion of library services in areas that are unserved or grossly underserved. A second related target for these funds is to expand further the development of operating linkages and networks to augment and supplement the services of existing libraries and library systems.

--The proposed Act should provide for distribution of Federal funds to achieve two basic sub-objectives: (1) the extension and up-grading of public library services in accordance with defined criteria of relative need for services and relative fiscal ability to support such services among states and among areas within states; and (2) the development and/or expansion of cooperative systems and networks linkages not only among public libraries, but also between public libraries and all other types of libraries and information services.

--State matching requirements should specify the use of state revenue sources and exclude the use of local funds for this purpose. The amount of Federal funds which could be used for state administration purpose should be limited. The ratio of Federal to state dollars should be higher under the first of the two components in order to reflect a higher priority on the extension and up-grading of essential library services. Highest priority should be assigned the extension and up-grading of services in rural and urban areas.

--All states should be eligible for funds under the Act and the allocations should be determined for each state in accordance with uniformly applied

* Evaluation of the Effectiveness of Federal Funding of Public Libraries, Government Studies & Systems for NCLIS, 1976, pp. 115-118.

factors reflecting relative need for extension and development of library services, and fiscal capacity to support such services. Payments to states should be based on specific state-authorized plans for the distribution and utilization of these funds in accordance with Federal guidelines.

--The plan requirement cited above in connection with state eligibility should be based on state comprehensive plans, but it should also specifically describe the ways in which Federal funds will be utilized. Authorization of state plans by the responsible state funds in plan implementation. Actual use reports should be required for monitoring purposes. Guidelines under which state plans are prepared should specify, for each project, a declining level of Federal support over a specified time period. Guidelines should also specify and require an adequate and continuing basis of state-local fiscal support for the expanded services.

--Recommended changes in LSCA III and HEA II-B*

--The recommendations address four areas which underly the key needs of the HEA II-B Library Research and Demonstration and LSCA III Programs. The first area is the need to define and focus the role of the two Program in the overall process of developing library resources and services and transferring those developments from the innovation stage to becoming part of the basic library and information services. The second need is to provide linkages between (a) the different stages of this change process, and (b) the variety of agencies, individuals, and organizations who are involved in this process. The third need is to substantially upgrade Federal and State management of these Programs and to redefine USOE management responsibilities. The fourth need is for USOE, as a major funder of library and information services development activities, to reconsider the role of each of the Program in the innovation change process. Implementation of these recommendations is, in large measure, dependent upon careful reconsideration of current USOE policy.

* A Study of Library Cooperatives, Networks and Demonstration Projects, for Office of Planning, Budgeting and Evaluation, USOE by Applied Management Sciences, pp. 12.12-12.27.

If these recommendations are implemented, the two Programs will be greatly improved, and USOE's role will be considerably more influential; and the nature of USOE support will be considerably more cost-effective. Within each of the four areas, recommendations are presented in an order approximating the priority they should be given.

--Preliminary findings re changes in ESEA IV-B*

--Discontinue single application for Part B (Libraries and Instructional Resources) and Part C.

--There should be a standard maintenance of effort requirements for all Federal programs.

--OE should take a greater role in disseminating information to state advisory council members.

--Stronger and more explicit regulations for non-public school participation in Title IV should be drafted.

--Many SEA's require such lengthy IV-B applications that LEA's are dissuaded from applying.

--The small size of many IV-B grants encourage unwise spending.

--The IV-B formula requirements for additional grants to LEA's with large numbers of pupils whose education imposes a higher than average cost per child are unclear.

--The lack of IV-D administrative monies at the local level makes it difficult to serve private school children.

The Education Amendment of 1978 (Report 95-1753, October 10, 1978) corrects some of these deficiencies. Two additional phases of the ESEA IV-B evaluation are in process and will be completed in 1979.

The above extracts from readily available recent studies are examples. Inquiries and suggested changes in other existing funding programs could be examined as a basis for packaging an integrated program for change such as is envisioned under this proposed option.

---

* ESEA Title IV-B Implementation Issues and Research Questions: A Working Note prepared by the Rand Corporation for the Department of HEW (not for publication).

While this approach of strengthening existing funding programs might satisfy those who seek moderate change and, perhaps, even some of the generalist critics of Federal Library funding, others could be expected to oppose such a course of action. Some would argue that it goes too far and others would complain that it does not go far enough. Perhaps the severest critics of this general approach--those who emphasize the need for closer funding and planning base linkages between school and all other library funding programs--would argue that this course of action does nothing to bridge that gap and that a national program concept is not feasible unless such linkage is clearly established. Other critics might protest the possible reorganization and "beefing-up" of a Federal locus of authority that this approach might entail.

4. A New Legislative Initiative Focussing on Development of a National Program of Libraries and Information Services Utilizing Modified Block Grant Approach

The final alternative that would seem possible to consider is a new legislati - initiative reflecting conceptually the comprehensive scope and primary emphasis required to assist the development of a national library and information services program. Such legislation might carry the name: "The National Library and Information Services Development Act," and it should be formulated to

cover a time span of not less than ten years. The legislative emphasis is on the progressive development and coordinated growth of the national program. A review and evaluation should be undertaken in ten years with consideration of new directions for the succeeding decade.

The proposed Act could consist of two basic titles, with as many subordinate subtitles as are required. The Act would include specific programmatic goals as well as respond to national needs which are more encompassing than the sum of the individual programmatic needs. The Act could define the means for providing information through a nationwide network. Title I, which might be labeled Development and Coordination of National Library and Information Service Resources, would define and provide for the coordination of national library and information services network in the context of a national program. A specific outline detailing the provisions of this title would require intensive additional research which is beyond the scope of this paper. In the context of this alternative option, however, it is clear that development of a national program and the coordination of national library and information services with that end in view requires a legislative base broader than any which now exist at the Federal level. It is also clear that this title of the proposed new Act would deal exclusively with those components of a national program for which the Federal Government would exercise exclusive discretion and authority. Some possible components could be (1) the support of key national resources--the major research libraries--so that they can meet

national objectives as well as institutional goals; (2) the creation of national and/or regional periodicals centers; (3) the maintenance of adequate bibliographic control apparatus including support of MARC, on-line bibliographic services; (4) the development of an adequate communication system for the nationwide network; (5) education of staff required to assure the development of a cost-effective nationwide network, and (6) research in library and information science.

Title II, which might be called State and Local Library and Information Services Support Program, would represent an approach under which all of the existing Federal funding program described earlier would be consolidated into a block grant. While this title would authorize and provide guidelines for distribution of Federal funds in support of public, academic and school libraries and information services, considerably more decision making discretion would be allocated to the states. This decentralization of the decision making function is in keeping with a block grant funding approach. The total initial funding of such a program could be at the present (1979) $266.4 million level.

Appropriate sub-titles covering important components of this block grant could be established and amounts of Federal funds assigned to each. Examples of such titles might include the following:

Sub-title A - Resource Development

1. Rural (all libraries and information services)
2. Urban (all libraries and information services)

Sub-title B - Special Services Development

Sub-title C - Network and Interlibrary Cooperation at the state level

Allocations available to states under these various titles could be determined state-by-state on the basis of a determination of need, tax-base capacity and state-local tax effort. The guiding principle underlying the distributional mechanism should be parity of state and sub-state regional resources and equity of access to all resources included in the national network.

Distribution of Federal funds would be through the appropriate state library and information service agency. A requirement could be that each state must reorganize and expand its library advisory or administrative board into a single library and information services board, with responsibility and authority commensurate with the scope of the Federal Act. Sub-options of this approach could be developed to reflect variations in state plan requirements. One sub-option could require the completion, submittal and approval of a comprehensive state plan as a prerequisite to receipt of block grant funds. Another sub-option might specify development of a state plan prepared in accordance with Federal guidelines, but without a direct tie-in to the funding. In both options, the state plan required would be an integrated, comprehensive planning design for development of the state component of a national library

and information service program and network. In both options, expenditure of Federal funds would be in accordance with the state plan, with Federal monitoring and fiscal sanctions to make certain that it happens. Another option could provide for a gradual reduction of Federal funding, over a stated period of time down to a level reflecting a continuing Federal responsibility for those national network services and activities which transcend state boundaries.

Those in favor of this option would perhaps maintain that the block grant approach represents the best of all possible worlds and permits the kind of reshaping of goals and priorities that is essential, if we are ever to transform the present melange of library and information services into any kind of a coherent national program. Some observers might emphasize that, in a national program context, the block grant approach can provide effective funding appropriate to the specific kind of library service provided ranging from public library services to academic and research libraries to resource libraries capable of serving national needs. Other observers would also argue the worth of sharing with the states the kind of decision-making and leadership roles that is essential to achieve national program goals. The purists among such a group might hint at less than full accord because of the obvious constraints on state-local decision making. The less pure among generalist observers however, might agree that, given the appropriate Federal interest in the development of a national program and network, a modified block grant approach with some Federal strings attached is justified.

Those opposed might argue that it is pure pie-in-the-sky to assume a national program can emerge from such a legislative formulation. On theoretical grounds, they could maintain that, if the image of a nicely articulated national network is visionary now at the Federal level, it will be made less clear by the separate formulations by each of the states. On practical grounds, they might applaud the objective of requiring an integrated planning effort including all components of the library and information service community, but they would maintain that it just won't happen. Furthermore, they might argue that, regardless of what kind of umbrella legislation or block grant approach is used, nothing will dislodge the funding priorities now established in existing programs. The public libraries would still see $60 million as their minimum allocation, and the education community might not support the measure if school libraries got less than $180 million from the new program.

Finally, such critics could maintain that development of the guidelines for such a program, along with the planning, administrative and fiscal control and monitoring involved, would require an expanded and reorganized Federal Government agency. The reorganizing and creating of a Federal unit for administering huge amounts of money and a national program development program is an exercise fraught with difficulties--so the argument would go.

Again, it should be noted that the preceding description of alternative Federal funding models is not intended to be definitive or necessarily comprehensive. The objective was to identify, characterize and indicate possible advantages and disadvantages for a range of approaches which might reflect a spectrum of different viewpoints. Other models, or some combination of different models perhaps could be suggested. The goal of the paper is to assist the process of determining the most appropriate and effective method for the the Federal funding of libraries and information services for future years.

Appendix A

Outline of ACIR Study* Report on Evaluating the American Federal Fiscal System

* This study was mandated by the 1976 Act extending general revenue sharing.

Appendix A

THE FEDERAL ROLE IN THE FEDERAL SYSTEM: THE DYNAMICS OF CHANGE*

Working Outline

I. Introduction: The Question of Federalism

II. The Growing Federal Role, 1960-1978

- A. Fiscal Features
- B. Ever-broadening Functions
- C. Programmatic Fragmentation
- D. The Expanding Regulatory Arena
  1. Traditional "economic" regulation
  2. The new "social" regulation
- E. Bureaucratization, Red Tape, and Paperwork
  1. Federal employment
  2. Executive branch organization
  3. Red tape and paperwork
- F. New Institutions
  1. Multistate
  2. Substate
  3. Other

III. Perspectives on the Allocation of Intergovernmental Roles: Theories and Criteria

- A. Political Theory and Federalism: Representation and Freedom
- B. Economic Theories of Federalism: Economy and Efficiency
- C. Public Administration and Federalism: Effectiveness and Decentralization
- D. Juridical Federalism
- E. Pragmatic Federalism
- F. Implications for the Developing Federal Role

---

* Source: See footnote, page 9.

IV. What Limits? The Question of Constraints

A. Constitutional Constraints

1. Judicial doctrines of the 20th century
2. NLC v. Usery and other recent cases

B. Political Constraints

1. Jurisdictional interests
2. State and local officials
3. Past attempts to "urwind" the system
4. The Federal role as an issue in modern politics

C. Practical Constraints

1. Fiscal
2. Administrative
3. Bureaucratic

V. Theoretical Perspectives on Governmental Growth: Interpretation in the Social Sciences

A. Introduction

B. External Political "Demands"

C. Environmental Determinants of Governmental Growth

D. Internal Influences

E. Summary and Implications

VI. Case Studies: The Political Dynamics of Federal Growth

A. Environmental Protection

B. Higher Education

C. Elementary and Secondary Education

D. Income Maintenance

E. Health

F. Libraries

G. Law Enforcement

H. Employment and Training

I. Fire Protection

J. Summary, Interpretations, and Conclusions

VII. Findings and Issues

VIII. Recommendations

A. Past Recommendations: The ACIR Strategy

B. Additional Recommendations

Appendix B

SUMMARY RECOMMENDATION FOR A FIVE POINT INTERGOVERNMENTAL STRATEGY FOR REFORMING THE SYSTEM OF FEDERAL ASSISTANCE*

In summary, the Commission has concluded that a five-part strategy is necessary for meeting the challenges that the current system of Federal assistance has created. The overall strategy emerges from the three-score recommendations adopted in this multivolume study of *The Intergovernmental Grant System: An Assessment and Proposed Policies* and from a few others appearing in earlier reports. Hence . . .

The Commission recommends that the Congress and the President give due consideration to the findings and recommendations set forth in this series. In terms of developing a much needed, well orchestrated strategy for overcoming the manifold difficulties caused by the increasing intergovernmentalization of nearly every aspect of domestic American governance, the Commission recommends that the Congress and the President give full attention to:

1) a joint effort to simplify and standardize, wherever feasible, the procedures and requirements of Federal assistance programs. The Commission recognizes that the executive actions alone in this area have proven in the past to be inadequate in the absence of clear Congressional agreement and support. The Commission further recognizes that while the Congress has shown an increasing interest in rationalizing and coordinating its own policy initiatives in intergovernmental and other areas, many of the management challenges still

---

* The Intergovernmental Grant System: Summary and Concluding Observations, Vol. 14 (A-62), ACIR, June 1978, p. 77-78.

arise from multiple Federal aid actions within many committees and subcommittees dealing with domestic governmental programs. The Commission, then, emphasizes that without a joint approach to Federal grants management there is no effective approach;

2) the merger of the more than 448 Federal grants-in-aid primarily to state and local governments into a much smaller number of consolidated grants (including both block grants, where appropriate, and broader categorical programs). The Commission is convinced that such consolidations are an indispensable means of rendering the present aid system more comprehensible and manageable to policy officials in the executive and legislative branches and to program administrators at all levels of government. The Commission also finds this device to be one of the essential ways of strengthening most of the existing block grants and of curbing the extraordinary program specificity of dozens of categorical programs;

3) careful assessment, both before and after their enactment, of the impact of generally applicable intergovernmental regulatory standards and procedures, including the Federal capacity to enforce them fairly and uniformly; the costs as well as prospective benefits of their achievement; the suitability and necessity of the use of intergovernmental aid programs as a major instrument for pursuing these national objectives; the clarity and precision of the objectives and principles to be applied in their executive and judicial interpretations; and the relationships and possible contradictions between and among these various national policy objectives. The Commission emphasizes that these are the minimum steps necessary to bring some semblance of order to an area wherein regulations have run riot; and

4) the ongoing evaluation of the achievements, shortcomings, and impacts of Federal grant-in-aid programs, singly and collectively, and the related need for greater attention to the objectives and the design of different aid instruments, including questions of grant form; the role of eligible recipients; allocation and matching provisions; maintenance of effort requirements; and reporting and other conditions. The Commission stresses that these efforts are indispensable if the system is to be seen whole and if the crucial conditioners of this system are to be brought under control.

In light of its conclusion that state and local public services have become excessively intergovernmentalized and to fill the obvious gap in a fully developed corrective strategy, the Commission further recommends that the Congress and the President provide for (1) re-examination of Federal, state and local roles in, and contributions to the principal functional areas of public policy, including assessments of the desirability of fully nationalizing some functions while reducing, eliminating or forestalling Federal involvement in others; (2) an assessment of the interrelationships among the full range of programs in each policy field; and (3) a consideration of the possible use of instruments other than grant-in-aid to realize national objectives. While the Commission has previously indicated its position regarding the areas of welfare and public education, similar studies need to be made for other fields.

Appendix C

Summary Description of Federal Support Programs for Libraries and Information Services*

Program	Purpose	Type	Method of operation	1979 Budget Policy
LSCA I - Public Library Services	To promote the extension and improvement of public library services in areas without such services or with inadequate services, to improve State library service for the physically handicapped, institutionalized and disadvantaged persons, to strengthen State library administrative agencies, and to strengthen metropolitan libraries which serve as regional and national resource centers.	Formula	Any State desiring to receive its allotment under this State-administered program must submit an annual program and be operating under an approved basic State plan and a long range program updated annually. Grants to States are made on a formula based on total resident population, but with a $200,000 minimum for the 50 States, D.C., and Puerto Rico, and a $40,000 minimum for the other outlying areas. The Federal share is 33 percent to 66 percent (except Trust Territory which is 100 percent Federally funded), and States must provide matching funds in proportion to their per capita income. The Library Services and Construction Act Amendments of 1977 provide for special assistance to major urban resource libraries.	To provide incentive capital by which the Federal Government can encourage support of public library services toward special clientele, $56,900,000 is requested for fiscal year 1979. This is the same as last year, and the amount represents 5-7% of the American public library expenditures. In fiscal year 1979, about 29,000,000 disadvantaged persons will have access to new or improved library services. More than 480,000 blind and physically handicapped persons will use large-print books and special equipment with the help of specially trained public library personnel. Also, about 800,000 prisoners, patients, and other institutionalized persons will receive library services.
LSCA III- Interlibrary Cooperative Support	To establish cooperative library programs involving public libraries with other types of libraries, i.e., school libraries, college and university libraries, and/or specialized information centers, this program provides support for local, State interstate and/or regional networks of libraries for the purpose of providing library and information services.	Formula	Any State desiring to receive its allotment under this State administered program must submit an annual program and be operating under an approved basic State plan and a long range program updated annually. Grants are made to States according to a formula based on total resident population, but with a minimum of $40,000 for the 50 States, D.C., and Puerto Rico, and a $10,000 minimum for the other outlying areas. No State matching is required.	To improve the efficiency and effectiveness of library services, approximately 130 interlibrary cooperative service projects will be supported at the request level of $3,337,000. These projects will focus the Administration's support on key cost-saving cooperative library practices rather than on projects designed exclusively for the users of one type of library, whether that be a school, academic, or public library. Approximately 7 percent of the nation's libraries will be affected.

*Source: OLLR Program Description and FY79 Budget Justification Documents.

Summary Description of Federal Support Programs for Libraries and Information Services (Continued)

Program	Purpose	Type	Method of Operation	1979 Budget Policy
ESEA IV B-School Libraries and Instructional Resources	To provide services to local education agencies, the School Libraries and Instructional Resources program provides grants to States for school library and instructional resources, including guidance, counseling, and testing. This activity consolidated into a single authorization the following programs: School Library Resources (ESEA II), Equipment and Minor Remodeling (NDEA III), and the Guidance, Counseling, and Testing portion of the Supplementary Services program (ESEA III). Congress mandated a "hold-harmless" provision for 1978 - the first year of consolidation.	Formula	Funds are distributed to the States on the basis of the proportionate number of children in each State who are ages five through seventeen, compared to the total of such children in all States, after approximately one percent is withdrawn for allocation to the outlying areas and the Department of Interior (Bureau of Indian Affairs). The States in turn distribute funds to the districts according to enrollment in public and private schools, and in relation to local tax effort for education and numbers of children whose education imposes a higher than average cost.	In 1979 the program will continue to provide funds for the same purposes as the component categorical programs (for children aged 5 through 17, numbering about 46.9 million) for school years 1979-1980 and will emphasize: (a) Aid to private school children (10 percent of total program benefits); (b) Projects which illustrate the complementary relationship of the three purposes, e.g., in career education, where materials, equipment and guidance expertise are used; (c) Equalizing educational opportunity by providing additional funds for poor school districts; and (d) Expanded aid for disadvantaged and gifted students.
HEA II A - College Library Resources	To provide support to institutions of higher education for the acquisition of library materials (including law library resources), such as books, periodicals, documents, magnetic tapes, phonograph records, audio-visual materials and other related materials (including necessary binding), grants are awarded to eligible institutions of higher education and other public and private nonprofit library institutions whose primary function is to serve institutions of higher education. Virtually all institutions of higher education are eligible to receive the basic grant of up to $5,000, provided maintenance of effort requirements are met.	Grant	Three types of grants can be awarded: (1) basic grants up to $5,000 to every eligible institution; (2) supplemental grants up to $20 per student with no matching required; and (3) special-purpose grants which must be matched with $1 institution money for every $3 Federal money. Basic grants must be awarded first priority. The Education Amendments of 1976 mandate a statutory distribution of funds between the College Library Resources, Library Career Training, and Library Demonstrations programs. Of the amount appropriated, 70 percent is to be used for College Library Resources and 30 percent for Training and Demonstrations. The program is forward funded.	The fiscal year 1978 appropriation of $9,975,000 is providing about 2,550 basic grants to institutions of higher education at approximately $3,900 each. Funding for this program is not being requested in 1979 on the grounds that marginal awards to nearly every institution in the country are made without regard to need.

Summary Description of Federal Support Programs for Libraries and Information Services (Continued)

Program	Purpose	Type	Method of Operation	1979 Budget Policy
HEA II B - Library Career Training	To support the training of paraprofessionals and professionals in library and information science for service to all types of libraries, grants for fellowships, traineeships, and training institutes for library personnel may be awarded to institutions of higher education and other library organizations or agencies.	Grant	This is a discretionary, forward-funded program, with grants going to the institutions which have been selected by a panel of outside experts plus some OE staff. Both new awards and competing continuations are funded. The Education Amendments of 1976 mandates a statutory distribution of funds between the College Library Resources, Librarian Training and Demonstrations programs. Of the amount appropriated for Training and Demonstrations, 2/3 of the funds must be used for training. Further, not less than 50 percent of the funds for such training is to be used to support fellowships and traineeships.	The fiscal year 1978 appropriation of $2,000,000 is providing support for about 200 undergraduate and graduate-level fellowships and traineeships, of which 70 percent represent the disadvantaged. These funds also are supporting about 600 participants in institutes for skills retraining at an average cost of $1,200 per person. Funding is not being requested for this program in 1979. A library manpower study funded by the Office of Education and the Bureau of Labor Statistics indicates that the overall supply/demand cycle for librarians has reached a state of equilibrium.
HEA II B - Library Demonstrations	To provide funds for demonstrations for the improvement of library techniques, systems, and equipment for processing, storing, distributing and disseminating information, discretionary grants and contracts are made to public or private organizations and agencies.	Grant	Awards are made to recipients selected by a panel of outside evaluators. This program is forward-funded, and both new awards and competing continuations are funded. Program priorities are determined on the basis of the legislation, regulations, and published criteria. These priorities include: support of studies and demonstrations of improved library service, particularly to groups and persons with special information needs; institutional cooperation; improvement in library methods and procedures; and improvement of library career education.	The fiscal year 1978 appropriation of $1,000,000 is providing for the funding of about 19 demonstration projects, of which 13 are new and 6 are competing continuations of on-going projects. These projects are supporting improvement in library training, service, efficiency, planning and development, and technology. Funding for this program is not being requested in 1979. Demonstration projects can be funded under other authorities.

Summary Description of Federal Support Programs for Libraries and Information Services (Continued)

Program	Purpose	Type	Method of Operation	1979 Budget Policy
HEA II C - Strengthening Research Libraries	To strengthen major research library collections both private and public, which represent the bibliographic foundation of the nation's research effort, grants are made to libraries which serve students, faculty, scholars, and researchers with the combined resources of over 200 million volumes. These libraries are prepared to share these resources through a growing system of interlibrary lending.	Grant	This is a discretionary, forward-funded program authorized for the first time by the Education Amendments of 1976 (P.L. 94-482). The law specifies that no more than 150 research library institutions may receive a grant under this program in any given year. A reasonable effort must be made to achieve regional balance.	To improve and expand research collections and to encourage major research libraries to share these library resources with others, grants at the 1978 level of $5,000,000 will be made to major research libraries. It is estimated that approximately 20 grants will be awarded, averaging $250,000 each. In fiscal year 1978, the first year of funding, a small number of grants will be made to promote a national network of research libraries, emphasizing the formalization of resource sharing.
HEA VI - College Instructional Equipment	To assist in the improvement of academic programs through the purchase of instructional equipment (including close-circuit TV) and attendant minor remodeling, grants are awarded to institutions of higher education.	Formula-Grant	Program funds are allotted to the States based on per capita income and enrollment in institutions of higher education within the State. State commissions, broadly representative of higher education in the State, develop their own plan, establish priorities, criteria, set deadlines, conduct workshops, work directly with institutions in preparing proposals, review proposals and assign them priority ranking for funding. USOE makes final approval of grants and, in cooperation with State commissions, handles administration, including closeouts. Two categories of grants require state 50% matching.	The fiscal year 1978 appropriation of $7,500,000 is providing support for nearly 800 grants. About 80 percent of the funds are used for instructional equipment, materials, and related minor remodeling and the remaining 20 percent for closed circuit television equipment, and minor remodeling related to its installation. Funding for this program is not being requested in 1979 on the grounds that awarding so many small grants makes for inefficient and ineffective use of Federal funds.